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MEETING
STATE OF CALIFORNIA
INTEGRATED WASTE MANAGEMENT BOARD

JOE SERNA, JR., CALEPA BUILDING
1001 I STREET
2ND FLOOR
BYRON SHER AUDITORIUM
SACRAMENTO, CALIFORNIA

TUESDAY, JULY 19, 2005

9:30 A.M.

JAMES F. PETERS, CSR, RPR
CERTIFIED SHORTHAND REPORTER
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PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

APPEARANCES

BOARD MEMBERS

Ms. Rosario Marin, Chairperson

Ms. Rosalie Mul

Ms. Cheryl Peace

Mr. Carl Washington

STAFF

Mr. Mark Leary, Executive Director

Ms. Julie Nauman, Chief Deputy Director

Ms. Marie Carter, Chief Counsel

Mr. Tom Estes, Deputy Director

Mr. Jim Lee, Deputy Director

Mr. Howard Levenson, Deputy Director

Ms. Carroll Mortensen, Assistant Director

Ms. Rubia Packard, Assistant Director

Ms. Joanne Vorhies, Assistant Director

Mr. Pat Schiavo, Deputy Director

Patty Wohl, Deputy Director

Mr. Michael Bledsoe, Staff Counsel

Mr. Elliot Block, Staff Counsel

Mr. Spencer Fine

Mr. Willy Jenkins

Ms. Christine Karl,

Mr. Jim La Tanner, Supervisor, RMDZ Loan Program

APPEARANCES CONTINUED

STAFF PRESENT

Ms. Cara Morgan, Branch Manager, Office of Local Assistance

Ms. Virginia Rosales

Ms. Jill Simmons

Mr. Steve Sorelle, Supervisor, Office of Local Assistance, North Section

Mr. Steve Uselton, Supervisor, State and Local Assistance, Los Angeles Section

ALSO PRESENT

Mr. Alan Abbs, Regional Council of Rural Counties, ESJPA

Mr. Jim Aste, Harland Law Firm, representing Eel River Disposal(via teleconference)

Mr. James Branham, Undersecretary, CalEPA

Mr. Arthur R. Boone, Total Recycling Association

Mr. Tom Cooke, Mayor, City of Fortuna

Mr. Evan Edgar, California Refuse Removal Council

Mr. Chuck Helget, Allied Waste

Mr. Jim Hemminger, Rural Counties ESJPA

Ms. Yvonne Hunter, League of California Cities

Mr. Terry Leveille, TL& Associates

Mr. Bill Mannel, County of Butte, Solid Waste RCRC & Environmental Services JPA

Mr. Rick Mauck, SWANA

Mr. Jim McHargue, Amador County Waste Management Department

APPEARANCES CONTINUED

ALSO PRESENT

Ms. Amy Morgan, City Attorney, City of Fortuna

Ms. Mary Pitto, Regional Council of Rural Counties, ESJPA

Mr. Joe Pozzi, Goldridge Resource Conservation District,
Sonoma County

Mr. Mike Rappaport, Tuolumne County

Mr. Duane V. Rigge, City Manager, City of Fortuna

Mr. Scott Smithline, Californians Against Waste

Mr. Patrick Stoll, Boyle & Stoll

Ms. Eileen Tutt, CalEPA

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INDEX	PAGE
I. CALL TO ORDER	1
II. ROLL CALL AND DECLARATION OF QUORUM	1
Pledge Of Allegiance	2
III. OPENING REMARKS	2
IV. REPORTS AND PRESENTATIONS	2
Presentation - Global Warming: A World Leadership Opportunity for California	13
V. PUBLIC COMMENT	35
VI. CONSENT AGENDA	38
VII. CONTINUED BUSINESS AGENDA ITEMS	
VIII. NEW BUSINESS AGENDA ITEMS	39
Permitting And Enforcement	
1. Consideration Of A Revised Full Solid Waste Facilities Permit (Transfer/Processing Station) For The Ramona Materials Recovery Facility And Transfer Station, San Diego County	39
Motion	39
Vote	39
2. Consideration Of A New Full Solid Waste Facilities Permit (Transfer/Processing Station) For The Southern California Recycling, Riverside County	40
Motion	43
Vote	43
3. PULLED Consideration Of A New Full Solid Waste Facilities Permit (Transfer/Processing Station) For The Fremont Recycling And Transfer Station, Alameda County	
4. Consideration Of A Revised Full Solid Waste Facilities Permit (Transfer/Processing Station) For The Mammoth Recycling Facility And Transfer Station, Madera County	39
Motion	39
Vote	39

INDEX CONTINUED

	PAGE
5. Consideration Of A Revised Full Solid Waste Facilities Permit (Disposal Facility) For The Fairmead Landfill, Madera County	43
Motion	45
Vote	46
6. Consideration Of A Revised Full Solid Waste Facilities Permit (Disposal Facility) For The Neal Road Landfill, Butte County	39
Motion	39
Vote	39
7. Consideration Of A New Full Solid Waste Facilities Permit (Compostable Materials Handling Facility) For The Jepson Prairie Organic Composting Facility, Solano County	174
Motion	178
Vote	179
Special Waste	
8. Consideration Of Adoption Of The Proposed Regulations For Waste And Used Tire Haulers Regarding Retreaders	39
Motion	39
Vote	39
9. Consideration Of The Grant Awards For The Household Hazardous Waste Grants (14th Cycle) (FY 2005/2006, Integrated Waste Management Account)	47
Motion	49
Vote	49
10. Presentation Of Findings On Phase II Of The Do-It-Yourself Oil Changers Research (FY 2001/2002 Used Oil Recycling Fund Contract C2014)	
Sustainability And Market Development	
11. Consideration Of Plastic Trash Bag Manufacturers And Wholesalers Compliance With The Plastic Trash Bag Law For The 2004 Reporting Period (Public Resources Code Section 42997(b))	39
Motion	39
Vote	39

INDEX CONTINUED

	PAGE
12. Update On Progress Toward Achieving Goals Of The Carpet Stewardship Memorandum Of Understanding	
13. Consideration Of Revisions To The Recycling Market Development Revolving Loan Program General Loan Criteria	117
Motion	126
Vote	126
14. Consideration Of The Recycling Market Development Revolving Loan Program Application For Glaum Egg Ranch, L.P. (FY 05/06)	127
Motion	127
Vote	128
15. Discussion And Request For Direction Regarding An Alternative AB939 Compliance System	128
16. Consideration Of The Application For A Second SB1066 Time Extension By The City Of San Marino, Los Angeles County	166
Motion	168
Vote	168
17. Consideration Of The Amended Nondisposal Facility Element For The City Of Oakland, Alameda County	39
Motion	39
Vote	39
18. Consideration Of A Request To Change The Base Year To 2003 For The Previously Approved Source Reduction And Recycling Element For The City Of Milpitas, Santa Clara County	39
Motion	39
Vote	39
19. Consideration Of A Request To Change The Base Year To 2003 For The Previously Approved Source Reduction And Recycling Element For The Unincorporated Area Of Orange County	39
Motion	39
Vote	39

INDEX CONTINUED

	PAGE
20. Consideration Of The Application For A SB1066 Time Extension By The City Of Buena Park, Orange County	39
Motion	39
Vote	39
21. Consideration Of A Second SB1066 Time Extension Application By The Following Jurisdictions: The Cities Of Brawley, Calexico, Calipatria And The City Of Imperial, Imperial County	39
Motion	39
Vote	39
22. Consideration Of A Second SB1066 Time Extension Application By The Following Jurisdictions: City Of Oceanside: San Diego County, City Of Roseville: Placer County, And The San Benito County Integrated Waste Management Regional Agency: San Benito County Agenda Item (Revised)	39
Motion	39
Vote	39
23. Consideration Of The Application For A SB1066 Time Extension By The City Of Murrieta, Riverside County	39
Motion	39
Vote	39
24. Consideration Of A Request To Change The Base Year To 2003 For The Previously Approved Source Reduction And Recycling Element; And Consideration Of The Petition For Sludge Diversion Credit For The City Of Murrieta, Riverside County	39
Motion	39
Vote	39
25. Public Hearing And Consideration Of The Imposition Of Penalties Against The City Of Fortuna Pursuant To Compliance Order IWMA BR02-01 (Public Resources Code Section 41850)	50
Decision	170

INDEX CONTINUED

	PAGE
Other	
26. PULLED Consideration Of Scope Of Work And Allocation For The Education And The Environment Initiative Education Consultant (FY 2005/2006 & 2006/2007, Integrated Waste Management Account)	38
27. PULLED Consideration Of Scope Of Work And Allocation For Education And The Environment Initiative Writing Teams (FY 2005/2006, Integrated Waste Management Account)	38
28. Oral Presentation On Board Action Plans	179
IX. BOARD MEMBERS COMMENT	201
X. ADJOURNMENT	202
Reporter's Certificate	203

1 PROCEEDINGS

2 CHAIRPERSON MARIN: Welcome, everybody, to our
3 July meeting of the California Integrated Waste Management
4 Board. I appreciate all of your being here today. And we
5 are going to have a very, very full meeting. Excited
6 about all the things that we have been working on.

7 So with that let me just start. Jeannine, would
8 you be so kind to call the roll.

9 BOARD SECRETARY BAKULICH: Yes.
10 Mulé?

11 BOARD MEMBER MULÉ: Here.

12 BOARD SECRETARY BAKULICH: Peace?

13 BOARD MEMBER PEACE: Here.

14 BOARD SECRETARY BAKULICH: Washington?

15 BOARD MEMBER WASHINGTON: Here.

16 BOARD SECRETARY BAKULICH: Marin?

17 CHAIRPERSON MARIN: Here.

18 Okay. We are going to ask everybody to either
19 turn off your cells or put them on meeting mode or
20 vibration or whatever it is that you can, so that we don't
21 hear how important you are when you're being called by
22 your office.

23 Mr. Washington, would you be so kind to lead us
24 in the Pledge of Allegiance.

25 BOARD MEMBER WASHINGTON: I will.

1 (Thereupon the Pledge of Allegiance was
2 Recited in unison.)

3 CHAIRPERSON MARIN: Okay. Are there any ex
4 partes?

5 BOARD MEMBER PEACE: Yes, I spoke briefly to
6 Terry Leveille regarding Item No. 13.

7 CHAIRPERSON MARIN: Thank you.
8 Ms. Mulé?

9 BOARD MEMBER MULÉ: Madam Chair, I'm up to date.
10 Thank you.

11 CHAIRPERSON MARIN: Excellent.
12 Mr. Washington?

13 BOARD MEMBER WASHINGTON: Yeah, and I spoke to
14 Mr. Leveille regarding Item 13.

15 CHAIRPERSON MARIN: Okay. Great.
16 And I am up to date.

17 Well, I know that we have been extremely busy,
18 all of us. And I want to start with Ms. Peace. I know
19 that you had a full month. You even testified somewhere.

20 BOARD MEMBER PEACE: Yeah. Okay.

21 First, on June 23rd I visited the Del Mar
22 Fairgrounds to view their recycling programs that they had
23 implemented.

24 The Fairgrounds Recycling Program started 20
25 years ago with this office paper recycling. And now they

1 handle 19 different materials. Pre-consumer food waste
2 recycling is mandatory for all of their vendors and is
3 sent to the Miramar Landfill Composting Facility. All
4 animal manure and bedding is also sent to the composting
5 facility. And this accounts for 80 percent of the waste
6 produced at the fair. The overall diversion rate is 93.7
7 percent. That's great.

8 The Del Mar Fair lasted a total 22 days. And
9 during that time 1.2 million people passed through the
10 gates. And with grants from DOC and the Waste Board, the
11 fair has purchased blue recycling containers, which are
12 placed right alongside the trash containers throughout the
13 park.

14 There is a zero waste zone set up in a small area
15 of the fair where they are experimenting with a three-bin
16 system, where they have garbage, the blue recycling, and a
17 composting container for the food waste and the paper. Of
18 course the biggest problem with this is the education of
19 the public.

20 They are not yet requiring biodegradable
21 silverware, but they say they're heading in that
22 direction.

23 And they claim the financial benefit of their
24 recycling programs exceeds \$1.3 million. In addition to
25 that, they have installed solar panels on some of their

1 barns, saving an additional \$250,000 a year in energy
2 costs. So you can see that being environmental can also
3 be a smart business decision.

4 So, you know, the San Diego County Exposition is
5 truly a model for large venue recycling.

6 Also July 11th I testified in support of AB 338
7 at the Senate Environmental Quality Committee. AB 338 is
8 Assemblyman Lloyd Levine's bill, which would require
9 CalTrans to use increasing amounts of rubberized asphalt
10 concrete.

11 The bill is scheduled to go to the Senate
12 Appropriations Committee after the author makes amendments
13 to address some concerns regarding Terminal Blend, which
14 were brought up by two oil companies, paramount and
15 Valero. They want language in the bill which will allow
16 Terminal Blend -- the Terminal Blend product to be an
17 option for CalTrans to use in meeting its RAC quota, even
18 though the Terminal Blend uses less tire rubber in its
19 formula.

20 And that is my report.

21 CHAIRPERSON MARIN: Thank you, Ms. Peace.

22 Ms. Mulé, I know you're going to be testifying
23 somewhere also.

24 BOARD MEMBER MULÉ: Yes, I am. Tomorrow
25 afternoon, as a matter of fact.

1 Thank you, Madam Chair.

2 I visited a couple of landfills, Potrero Hills
3 Landfill on June 17th and the Ford Landfill on June 20th.
4 Both sites have a number of issues. And what I'm trying
5 to do as Permitting & Enforcement Chair is to go out and
6 visit these sites and find out, you know, what the issues
7 are prior to them coming before our Committee.

8 On June 23rd I had the opportunity to meet with
9 the Los Angeles County Department of Public Works, Fred
10 Rubin and his staff. And I just want to publicly thank
11 Steve Uselton for working with them. As you know, Steve,
12 there's a number of issues that are facing that county.
13 That region generates 57 percent of the state's entire
14 waste. And one of the things that we talked about was
15 focusing our resources on that area, because I think
16 that's where we have the greatest opportunity for
17 diversion.

18 After that meeting I met with Dr. Takallou and
19 toured the CRM facility. And I actually had the
20 opportunity to do a ribbon cutting. It just so happened
21 that day they were starting up a new phase of their
22 operation that was -- they purchased equipment with grant
23 money from the Board. And so they were able to leverage
24 the \$250,000 that we had given them in grant money with
25 another \$750,000 of their money to purchase equipment. As

1 a result, they're going to be able to divert a million
2 additional tires a year from the landfill. So very
3 exciting to see that.

4 I also visited the IRS C&D site in Southgate.
5 And, Board Member Washington, if you have not been there,
6 you've got to go see this. And Board Member Peace. I
7 know Chair Marin has been there. This is where -- it's a
8 company. They have a niche market. It's called interior
9 removal specialists. Basically they're a C&D demolition
10 company. But what they do is they donate every -- you
11 know, the interior, whether it's office furniture,
12 lighting fixtures, et cetera, they donate everything that
13 they remove from these interior office buildings.

14 And it's just a really very interesting facility
15 to go see. I mean talk about a great example of reuse.
16 This is it.

17 On June 24th I went to Talco Plastics and saw
18 where they take locally generated plastic bottles from
19 jurisdictions' curbside collection programs and they
20 actually transform that into pellets, where they then sell
21 that back to the plastic bottle manufacturers for reuse
22 into new bottles.

23 I also had the opportunity to visit the CVT
24 Transfer Station and MRF facility, which is operated by
25 Taormina Industries. And, again, if you haven't been

1 there, I strongly recommend that you go see this
2 integrated facility where they handle a variety of waste
3 and recyclable materials. And it's very impressive.

4 Let's see. On July 8th I had the opportunity to
5 attend an event at TAMCO Steel. And I want to recognize
6 and thank Leonard Robinson, who's our Chief Deputy at
7 DTSC, for inviting me to this event. This is an annual
8 event that Leonard actually had created some 12 years ago
9 where the L.A. County Sheriff, Lee Baca, and his folks
10 bring in confiscated firearms and -- I mean truck loads of
11 firearms. And they actually melt down this material and
12 they create rebar from it. And their motto was "From
13 destruction to construction". And it was -- you know, I
14 mean not talk about the ultimate in recycling, but it was
15 very inspirational to be a part of that and to see that.

16 On July 12th, I attended the California Resource
17 Recovery Association Conference, and I did make a
18 presentation on our diversion measurement system and 939
19 system. And I want to thank Mr. Boone for the invitation
20 to that event.

21 And on July 13th I attended the California
22 Association of Directors of Environmental Health meeting
23 here in Sacramento.

24 On the 14th I attended the Enforcement Advisory
25 Council meeting here in Sacramento as well.

1 And that concludes my report.

2 Thank you, Madam Chair.

3 CHAIRPERSON MARIN: Well, I know that you were
4 very, very busy.

5 Mr. Washington.

6 BOARD MEMBER WASHINGTON: Thank you, Madam Chair.

7 I just have a few items. And one I wanted to
8 mention, which I think was a unique one, on June 21st I
9 attended the Inglewood City Council. And there they
10 kicked off a program called the Sharp Program. And the
11 Sharp Program is a statewide program for syringes and
12 things of that nature where people in their homes dispose
13 of these needles. And what they're found, that people
14 were throwing these needles in trash and they would end up
15 in our landfills.

16 The City of Inglewood has started a partnership
17 with Sharps. And they perceive that they will do away
18 with about 10,000 needles going into our landfills within
19 a year once this program is kicked off. And they've made
20 it available to residents in the city.

21 They project there's about 4,000 residents who
22 will use these needles on a daily basis. And the
23 containers, they have made economically available for
24 these folks where the first container would be free.
25 They're prescribed by the practitioner. And then the

1 second one is like five bucks or something. You get up to
2 three a year depending on how many syringes you have to
3 use in a year's -- in a month's time.

4 And I thought that was really incredible, the
5 residents who showed up to support this program. I was
6 more excited to see all the people in the council meeting
7 was there for this program. And I couldn't believe it.
8 You know, most of the time you go to city council to see
9 who's getting thrown out of office. But they were there
10 to -- not like San Diego. Everybody's going to --

11 (Laughter.)

12 BOARD MEMBER WASHINGTON: Everybody's going to
13 survive down in San Diego.

14 But it was an excellent, excellent program. And
15 I really did enjoy being there to join with them in
16 kicking off this program, after which they had a press
17 conference, I think it was the next day with the Waste
18 Management, Rite-Aids and the city to kick off the
19 program. So it was really, really a great opportunity to
20 see this program take off.

21 Then I have had the opportunity to do two
22 meet-and-greets with the L.A. City Public Works
23 Commissioners, who really wanted to really partnership
24 with us. As you know, the new mayor's taken office and
25 commissioners are being appointed. And I think they're

1 really looking forward to coming and meeting the Board,
2 because they understand the nexus of the two working
3 together. And it was really exciting to go down.

4 And, finally, Madam Chair, I've been over -- and
5 I think kudos go out to the entire Integrated Waste
6 Board -- that the legislators, both Assembly members and
7 Senators that I've had, both Democrats and Republicans, to
8 speak to are very aware now of what the California
9 Integrated Waste Management Board is all about. And that
10 really goes out to the staff, who has made all the
11 information available to those folks, as well as Madam
12 Chairs Marin and Moulton-Patterson, who really did a good
13 job of going over to the Capitol and making sure people
14 knew who we were. Because I can tell you this: When I
15 came to the Board legislators had no clue as to what the
16 Integrated Waste Board was about or what they did. They
17 are very aware and they know the importance of our Board.

18 And one of the things that I like that I hear
19 from them is that we're there to protect the health and
20 safety of the public, which is really what I tried to
21 drive home since I've been on this Board. Because I don't
22 want us to just be seen as people who make sure the trash
23 doesn't go into the landfills, but we have a bigger
24 mission and, that is, to protect people in the State of
25 California, and I think we've done a great job of doing

1 so. And, again, those kudos go out to the entire staff,
2 Mark and the entire team, for doing a great job of making
3 sure the Board knows -- that the legislators know what's
4 going on.

5 And that concludes my report.

6 CHAIRPERSON MARIN: Thank you, Mr. Washington.

7 I'm going to make a very brief presentation --
8 not presentation -- comments about some of the places I've
9 been. I actually went to speak to the Beverly Hills
10 Chamber of Commerce.

11 BOARD MEMBER WASHINGTON: Stay out of San Diego.

12 (Laughter.)

13 CHAIRPERSON MARIN: Well, actually I'm going to
14 the border tomorrow.

15 But I want to thank everybody that put together
16 the picnic for the staff. I think that -- I think almost
17 all of us were there. And I know that Jennine Harris and
18 Debbie and Christina and Donnell, they worked very, very
19 hard -- Selma as well, you're Selma. That was one of the
20 last things that she helped us do, and that was really
21 awesome. Thank you. We all had a great time. And I know
22 that this furthers the friendship and the camaraderie
23 amongst all of us. So that was very good.

24 I did what we called it as the Gold Country Tour.
25 Visited Inyo County. I toured the Bishop San Juan

1 LANDFILL/Bridgeport facility. Calaveras County, we toured
2 the Rock Creek facility. Amador County, there we went to
3 the Pine Grove Transfer Station. And in Amador -- and the
4 Amador Recycle Center. And visited El Dorado and Nevada
5 County. We toured El Dorado -- in El Dorado County the
6 South Lake Tahoe Refuse Company. And in Nevada County
7 toured the McCourtney Road Landfill.

8 I attended a meeting with the EPA in San
9 Francisco, Region 9, and border issues.

10 And then on July 11th I attended the CRRA annual
11 conference in the Biltmore Hotel.

12 And on July 13th through 15th I attended the
13 Border Governors Conference in Coahuila, Mexico and. It
14 was -- it's just amazing what we can do when together we
15 put our heads to it.

16 In addition to that, we got an invitation, the
17 Board did, to go and visit on July the 28th -- which I
18 will personally not be able to go -- but the Jack and Jill
19 Hill. We actually donated -- we gave them a grant, and
20 they were able to use it for a brand new rubberized
21 surfacing at the foot of the hill to break Jack's
22 legendary falls. And I don't -- this is really dorky, but
23 I've got to say it. Because, you know, how Jack and Jill
24 went up the hill? Well, they did a little new rhyme.

25 And it says, Jack and Jill went up a new hill

1 where they could pump some water. Jack slide down a brand
2 new slide and Jill could slide down by his side. Then as
3 he got into the hill he did trot as fast as he could climb
4 it. Down the slide he soared and then he roared, 'Thank
5 you, California Integrated Waste Management Board.'

6 Isn't that neat.

7 So the Board is invited to attend on July the
8 28th at 3 p.m. I hope some -- I know that there will be
9 some representation from the Board there.

10 So with that, we have a very special presentation
11 from our partners that are -- they're more than brothers
12 and sisters. They're more like our dads. Jim Branham is
13 here to talk about -- to introduce Eileen Tutt. There is
14 a very important issue that the Governor has brought
15 enormous attention to. And I know that this Board will
16 play a role in making sure that that comes to fruition.

17 So with that the Undersecretary for EPA is here
18 to make an introduction.

19 Mr. Branham.

20 CalEPA UNDERSECRETARY BRANHAM: Thank you,
21 Chairwoman Marin. I've been accused of many things.
22 Fathering the Waste Board is not one of them before. So
23 I'll add that to my resume.

24 (Laughter.)

25 CalEPA UNDERSECRETARY BRANHAM: Thank you for

1 this opportunity.

2 As you mentioned, Rosario, this is an important
3 issue. A few weeks ago Governor Schwarzenegger issued an
4 Executive Order and announced greenhouse gas targets for
5 the State of California to address climate change issues
6 for the state. In that Executive Order, he tapped
7 Secretary Lloyd to lead a climate action team, which is a
8 group of cabinet level officials who will be begin
9 focusing on how we can in fact achieve the goals -- the
10 rather aggressive goals that the Governor has set forth.

11 So we have put together our team, and look
12 forward to working with all of the boards and departments,
13 and certainly appreciate this opportunity to come in and
14 share with the Board where we are, what the next steps are
15 and so on.

16 Deputy Secretary Ann Baker, who is ill today,
17 would have been here. So I'm kind of standing in to
18 introduce to you the person that really does all the work
19 for us, a special advisor to the Secretary, Eileen Tutt,
20 who has been most recently at the Air Resources Board, and
21 we've kind of captured her for a period of time at least
22 to work on this important project. And, as I said, this
23 is a top priority not only for the Governor, for the
24 Secretary, but obviously for all of us in dealing with
25 this issue.

1 So at this point I'd like Eileen to maybe give
2 you an overview. And I'm sure she'd be happy to answer
3 any questions.

4 So thank you.

5 CHAIRPERSON MARIN: Thank you so very much.

6 Thank you, Eileen. And you've done an incredible
7 job. And it's amazing to be part of that.

8 (Thereupon an overhead presentation was
9 Presented as follows.)

10 MS. TUTT: Thanks. Thank you, Rosario. It's
11 been a pleasure to work with you so far.

12 I want to say first that -- good morning,
13 Chairwoman Marin and members of the Board. And today I'm
14 here to talk about global warming and the Governor's
15 initiative. And just to start off I'd like to say that
16 global warming has been defined by most credible
17 scientists as the most pressing environmental issue of our
18 time. So I'm very pleased to be here today. And I'm
19 very -- I'm very pleased to be working with the members of
20 the Board and your staff on addressing this issue.

21 Next slide.

22 --o0o--

23 MS. TUTT: As the Governor stated on June 1, this
24 year, at World Environment Day in San Francisco, the
25 scientific debate is over. Global warming is happening.

1 The time to act is now. Human activity is changing the
2 climate. And we're fortunate that California's top
3 scientists are at the forefront of looking at the impacts
4 of global warming for our state, for our region, for our
5 nation and for our world, and looking at the consequences
6 and possible adaptation plans to address the adverse
7 consequences of global warming.

8 --o0o--

9 MS. TUTT: This is the Killiman -- this is just
10 kind of one of my favorite pictorials. This is the
11 Kilimanjaro glacier in Africa that the glacier looked like
12 it did in 1993 for 10,000 years. In 2000 you can see the
13 incredible melt of Kilimanjaro. And it just -- it gives
14 you an idea of how frightening actually some of the
15 impacts of global warming are. And it's one of the kind
16 of -- one of the children of global warming. We have a
17 number of different pictures that we like to show to
18 demonstrate what's happening, and this is one of them.

19 --o0o--

20 MS. TUTT: Because of our vast and valuable
21 natural resources here in California, we do stand to
22 suffer under the consequences of global warming. And here
23 are some of the probable impacts to California. And these
24 are just some of them.

25 First and foremost I think for many of us is the

1 impacts on our water supply -- water quality and water
2 supply because of the reduction in snowpack, which is
3 expected to reach up to 90 percent reduction by 2050.

4 Also, the increasing temperatures affect public
5 health and the environment. And a rise in sea level of
6 three to five inches could pretty much devastate our coast
7 lines and also threatens to destroy our levee systems or
8 severely harm our levee systems.

9 The other impact on our valuable agricultural
10 industry comes from really the rising temperatures and
11 also the infestation of pests that are expected to
12 accompany global warming.

13 --o0o--

14 MS. TUTT: Reducing emissions in California does
15 make a difference. We are the ninth largest emitter in
16 the world. You can see that in this slide. We actually
17 emit more than most other countries. And I want to point
18 out, we put this last line, the per capita emissions, up
19 because, if you look at California relative to the U.S.,
20 the nation as a whole, we're doing quite well. We really
21 are leaders in terms of addressing climate change. But we
22 also have quite a bit we could still do. And because
23 we're so high up on the list of emitters, it is important
24 that we take action. People look to California for
25 environmental leadership.

1 Next slide.

2 --o0o--

3 MS. TUTT: Governor Schwarzenegger has stated and
4 did state during the June 1st event -- which was, by the,
5 way a very exciting event. Chairwoman Marin was there.
6 And it was really a wonderful event. We got a lot of
7 positive press out of it. And the Governor was lauded
8 around the world for his actions that day.

9 But during that event he said that we will lead
10 the nation, we will continue to pursue energy efficiency
11 standards that are some of the most stringent in the
12 world. We will implement our motor vehicle greenhouse gas
13 emission reductions regulations, which are currently in
14 the courts. And we will fight the automakers to win the
15 right to implement those regulations. We will pursue an
16 accelerated renewable portfolio standard which will take
17 this state to one-third of all electricity used in the
18 state by 2020 would come from renewable resources.

19 And also we have the California Climate Action
20 Registry, which encourages companies to report their
21 greenhouse gas emissions. It's been very helpful for us
22 to get a handle on what exactly are the emissions from
23 particular sectors of the economy.

24 One other thing that was highlighted on June 1st
25 and that we have continued to kind of back up is that we

1 are going to continue to grow the economy while cutting
2 carbon. So we don't intend to harm the economy in any
3 way. In fact, we expect to see a continued robust growth
4 in the economy as a result, as a direct result of taking
5 actions to reduce greenhouse gas emissions.

6 I have -- just for an example, there is expected
7 to be a \$5 billion consumer savings associated with just
8 the motor vehicle regulations that were adopted by the Air
9 Resources Board. And those savings come primarily from a
10 reduction in operating costs for the vehicles. So that's
11 just one measure that we can take.

12 We also expect that the world market potential
13 for greenhouse gas emission reduction technology has been
14 estimated to be \$180 billion annually. And that's, by the
15 way, considered to be a conservative estimate. Again,
16 using the motor vehicle regs as an example, when we did
17 sort of a macro-economic analysis of the jobs creation
18 potential as a result of those regulations, what we
19 determined is that we are looking at about 53,000 more
20 jobs in California in 2020. And that comes because people
21 save money when they buy complying vehicles. And they
22 tend to spend some of that money on -- the two top sectors
23 were entertainment and health care, both of which are very
24 job intensive and good for our economy.

25 --o0o--

1 MS. TUTT: I wanted to show you this slide
2 because I wanted to point out that we have a lot of
3 industry support for this action. And I think that's why
4 the Governor felt very comfortable doing what he did June
5 1st.

6 These Fortune 500 companies that are listed have
7 all taken action entirely voluntarily to reduce their
8 emissions. And these savings that you'll see, Dupont's \$2
9 billion saved, to 69 percent reduction. Those have
10 already been achieved. That's not what they're guessing
11 they're going to get or what they're anticipating to get
12 in the future. Those are reductions and dollars saved
13 that have already happened. So this is just to give you
14 kind of an idea of the number of companies that have taken
15 action and the extent of the savings in dollars and the
16 reductions in emissions.

17 --o0o--

18 MS. TUTT: I don't want to forget our California
19 companies, because California companies have been very
20 active in taking action. We had -- I should have put it
21 up here. But Bentley Prince Street, which is one of the
22 largest carpet manufacturers in the world, recently
23 announced that they're going to reduce emissions. And
24 these Silicon Valley companies, H-P, Oracle, Calpine --
25 you can see them listed here -- have all voluntarily

1 agreed to reduce their emissions by 20 percent below 1990
2 levels by 2010.

3 I should point out that Robert Parkhurst, who
4 represents the San Joaquin Valley companies and works for
5 HP, also serves as a member -- a board member of the
6 Climate Action Registry in California, again sort of
7 emphasizing business support for taking action in the
8 state.

9 --o0o--

10 MS. TUTT: Now we kind of get to the nuts and
11 bolts here, the Executive Order, which again was signed
12 June 1st, this year. It was a watershed event. And we
13 were very pleased that Chairwoman Marin joined us.

14 The targets are set here by 2010. We
15 anticipate -- we are supposed to reduce emissions to 2000
16 levels. That's about 11 percent below business as usual,
17 about 59 million tons. By 2020, we're supposed to reduce
18 to 1990 emission levels. That's again 145 million tons
19 reductions, 25 percent below business as usually. And by
20 2050 we have a target of reducing emissions to 80 percent
21 below 1990 levels. And that target was established based
22 on what our scientists are telling us we need to do in
23 order to protect the planet.

24 --o0o--

25 MS. TUTT: In addition to establishing the

1 targets that were shown in the last slide, the Governor
2 also called for a scenario analysis. So we are expected
3 to look at the impacts in California specifically of
4 climate change on public health, water quality and supply,
5 agriculture, forest, coast lines. And we're also supposed
6 to look at adaptation planning efforts so that we can help
7 California be prepared for the adverse consequences of
8 global warming. The Executive Order specifically called
9 out Cal EPA to lead the effort.

10 Next slide.

11 --o0o--

12 MS. TUTT: And in response to the Executive
13 Order, Secretary Lloyd put together a climate action team,
14 which he chairs. Chairwoman Marin is on that team as a
15 representative from the Waste Board. The Air Resources
16 Board; Business, Transportation and Housing; Department of
17 food and Ag; Energy Commission; Utilities Commission; and
18 Resources Agencies are all also represented at a very high
19 level on that team.

20 That team is expected to evaluate the different
21 potential strategies that could be used to ensure that we
22 reduce emissions in California. For example, the motor
23 vehicle regulations is one of them. Your recycling and
24 waste measures as well as landfill measures will help us
25 meet those targets. The Climate Action Team will report

1 on the scenario analysis. And we are also supposed to
2 look at cap and trade options. So a market-based program
3 for California in the report. At this point we're not
4 necessarily going to recommend that, but we are looking at
5 it as one of the options to get to the targets the
6 Governor has set for us.

7 We are supposed to report to the Governor in
8 January of 2006. So we're under a very tight time frame.
9 And then every two years after that. So we sort of
10 represented the initial report as a kickoff report. And
11 then every two years we will continually monitor where we
12 are in meeting the targets and what we need to do to make
13 sure that we reduce emissions.

14 --o0o--

15 MS. TUTT: There are two subgroups of the Climate
16 Action Team. The first subgroup is the scenario analysis
17 subgroup. And it's made up of representatives from the
18 Climate Action Team and also some of California's top
19 scientists. They are in the process of preparing a report
20 which will go to the Climate Action Team to be rolled into
21 the overall Climate Action Team report.

22 There's also a cap and trade subgroup, which is
23 more of a policy subgroup. And it's made up of
24 representatives of the Climate Action Team. And, again,
25 the idea here is to look at options for cap and trade,

1 sort of a market-based program in California, and then
2 report to the Climate Action Team to have that information
3 rolled into the overall report.

4 --o0o--

5 MS. TUTT: The Integrated Waste Board makes a
6 very important contribution to the Climate Action Team.
7 Your Chairwoman sits on the Climate Action Team. And
8 we've had tremendous amount of staff support from Mr.
9 Leary and his staff. And we have been very appreciative
10 of that.

11 There are two measures that I'm going to
12 highlight because they do provide very significant
13 emission reductions. And the Waste Board staff is looking
14 into quantifying exactly what those reductions will be and
15 how we're going to achieve further reductions.

16 The zero waste recycling programs, which you all
17 have already begun implementing, are an important measure
18 that we're looking at. And also efforts to reduce
19 emissions from landfills. So those two measures are sort
20 of what we're looking to the Waste Board to help us with
21 as part of the Climate Action Team.

22 And we've also asked Mr. Leary and Chairwoman
23 Marin to look at any other measures that the Waste Board
24 thinks might be possible for reducing greenhouse gas
25 emissions.

1 So with that, I just want to say thank you. And
2 I look forward to working with you and your staff as we
3 get this report together in 2006 and beyond. And I'm
4 happy to answer any questions.

5 CHAIRPERSON MARIN: Thank you, Eileen.

6 I thought it was very important that the entire
7 Board heard where we are, what we're attempting to do, and
8 how this Board is going to collaborate. We're going to do
9 our part. And before this team, you know, went ahead with
10 everything -- we've only had a couple of meetings -- I
11 thought it would be very appropriate -- and I want to
12 thank Jim for making -- and Eileen and everybody,
13 certainly Dr. Lloyd -- he would have been here, except
14 that he's somewhere in Canada, I believe.

15 MS. TUTT: Vancouver, yeah.

16 CHAIRPERSON MARIN: Vancouver.

17 But I thought it was important that the Board got
18 the presentation of where we are, what we're attempting to
19 do, how we're going to do this, what role we're going to
20 play, and how best can we play that role. So I really
21 appreciate you taking the time. I don't know if anybody
22 has any particular questions. But I really thought that
23 this was very appropriate, and that's why we did it at the
24 very beginning of the meeting. And also so that everybody
25 that is listening to us realizes that we have an important

1 role to play in this.

2 So unless anybody has any questions -- No.

3 BOARD MEMBER MULÉ: Thank you, Eileen. It was an
4 excellent presentation.

5 MS. TUTT: Thank you.

6 CHAIRPERSON MARIN: Thank you. And we have a
7 great mandate, and I think we're going to have a wonderful
8 charge. So I'm very excited about this.

9 Thank you very, very much, Eileen, for your
10 presentation.

11 With that, Mr. Leary, before you go and make your
12 presentation --

13 (Thereupon everyone sang Happy Birthday
14 to Mr. Mark Leary.)
15 (Applause.)

16 CHAIRPERSON MARIN: Yeah, you can just stay there
17 for a little -- I have a couple of things that I need to
18 do. We did receive a letter dated July 31st: "Mark
19 Leary, as you celebrate your 50th birthday and join
20 AARP" --

21 EXECUTIVE DIRECTOR LEARY: I thought it was a
22 secret.

23 CHAIRPERSON MARIN: -- "I am delighted to join
24 your family and friends in extending congratulations and
25 best wishes for a memorable celebration. Birthdays are

1 special times that provide a great opportunity to remember
2 the people and events which have brought us joy and
3 fulfillment over the long and many years.

4 "It is a pleasure to share in celebrating this
5 milestone in your life.

6 "Congratulations, and may you have a fantastic
7 year.

8 "Sincerely, Arnold Schwarzenegger."

9 (Applause.)

10 CHAIRPERSON MARIN: We do have a small little
11 presentation.

12 (Thereupon a there was a special presentation.)

13 (Thereupon a discussion occurred off the record.)

14 EXECUTIVE DIRECTOR LEARY: Can you go through
15 them a little quicker, please?

16 (Applause.)

17 CHAIRPERSON MARIN: Mark, before you say
18 anything, I do have a special, very, very, very, very
19 special present. And you will never in your life get this
20 kind of special dollar bill. And I'm going to tell you
21 why when I go down there. I want to read this sere yawl
22 number 50 years old.

23 EXECUTIVE DIRECTOR LEARY: The Serial Number is H
24 00000731, my birthdate.

25 Thank you very much.

1 (Applause.)

2 EXECUTIVE DIRECTOR LEARY: Let me get a picture
3 with my wife.

4 Who gave them the pictures?

5 (Thereupon a discussion occurred off the record.)

6 (Applause.)

7 CHAIRPERSON MARIN: I'm sure you were wondering
8 why all of us were wearing black.

9 (Laughter.)

10 EXECUTIVE DIRECTOR LEARY: I was. I made the
11 comment. I said, "Why didn't I get the memo?"

12 (Laughter.)

13 EXECUTIVE DIRECTOR LEARY: I first walked in and
14 I noticed there right away. But I didn't think of that.
15 And I've got to congratulate you all. That is a
16 fabulously kept secret.

17 CHAIRPERSON MARIN: No leaks in this Board. I
18 love it.

19 EXECUTIVE DIRECTOR LEARY: That in itself is
20 surprising.

21 (Laughter.)

22 EXECUTIVE DIRECTOR LEARY: But thank you very
23 much. I really hoped to slip by this year unnoticed. I
24 wasn't making a big deal of it with my family or anything
25 like that. But it's a pleasure to be honored in this way

1 and I -- I'm -- you know, you guys are too much. I am
2 speechless. You guys are too much, and I really
3 appreciate it.

4 And I appreciate Margie and Jamie coming down.
5 And all of you who don't even know me sitting through
6 this.

7 (Laughter.)

8 EXECUTIVE DIRECTOR LEARY: It's nice to be held
9 in such regard, and I really appreciate it. Thank you
10 very much.

11 And I've got to do my Executive Director report
12 after all that.

13 CHAIRPERSON MARIN: Well, we figured this would
14 be the very opportune time for you to do that.

15 Mark, there is actually a bigger cake than the
16 one that they brought you. But just in case, you know,
17 anticipating that there would be an accident, we wanted to
18 have a little cake instead of a bigger cake that is there.
19 When we break, everybody will be welcome to share in
20 Mark's 50th birthday.

21 Go ahead, Mr. Leary.

22 EXECUTIVE DIRECTOR LEARY: Thank you.

23 CHAIRPERSON MARIN: Your report now.

24 EXECUTIVE DIRECTOR LEARY: I was actually going
25 to open my comments by thanking you all for the positive

1 comments you made as part of your presentations and
2 reports for your positive comments, particularly Member
3 Washington, of comments on staff. I really appreciate, as
4 always.

5 And then Rosario remembering to thank staff for
6 the picnic. I thought that was a wonderful event. And
7 thank you for mentioning Jennine and Selma and many other
8 staff's efforts in pulling it together.

9 Okay. To get to my regular Executive Director's
10 report. In a break from our usual routine I'd like to
11 begin my report to you this morning with an item that will
12 be a first in my nearly four years as the Executive
13 Director; and, that is, that we a budget in July. As you
14 know, the Governor signed the 2005 Budget Act last Monday.

15 Our current year expenditure authority is
16 approximately \$190.4 million and includes 457 positions.

17 The Governor's budget includes funding for the
18 Environmental Education Initiative. The funding is
19 contingent upon the adoption of Assembly Bill 1721, and
20 will include 5.5 new positions and 3.5 million to
21 implement the program.

22 The Governor's budget also converted the six
23 limited-term positions we received last year for the
24 E-waste program to permanent status.

25 To date, in the E-waste vein we've received --

1 \$15.8 million have been deposited in the E-waste account,
2 and 1.5 million in payments have been made to recyclers
3 and collectors already. I'll brief you next month on the
4 receipts for the full quarter that will have just ended.

5 Our Accounting Office, Tom and his crew, is
6 currently in the process of completing the 2004-5 year-end
7 statements. And I'll have an update for you on how we
8 ended the year sometime in September. But as indicators
9 point out, we've been -- we'll stay in the black obviously
10 and things will remain positive for us.

11 And where I usually begin my report of course is
12 on emergency waivers. And this month is no exception. As
13 a consequence of the massive landslide in Laguna Beach
14 last May, our Orange County LEA has granted permanent
15 waivers to the Prima Deshecha and the Frank R. Bowerman
16 landfills. These waivers address unanticipated tonnage
17 increases related to the cleanup and stabilization of the
18 many homes that were destroyed or condemned in the
19 aftermath of the landslide. They both will run for 120
20 days through September 30th, 2005. The City of Laguna
21 Beach will attempt to divert concrete and other demolition
22 materials from disposal.

23 In addition, we received two stipulated
24 agreements for temporary waivers from Sacramento County
25 LEA for the L & D Landfill in the North Area Recovery

1 Station. Pursuant to our regulations, once a stipulated
2 agreement is issued the Executive Director shall review
3 and report to the Board all such approvals. Normally I
4 report these waivers to you as part of my Executive
5 Director's report. These cases, however, are different
6 from the ones reported to you in the past and require a
7 little bit of explanation.

8 The L & D Landfill began receiving an increased
9 number of loads with mostly inert waste in February 2005
10 after the closure of the Florin-Perkins facility in
11 January. On June 15th, 2005, L & D Landfill submitted an
12 application to the LEA to revise a solid waste facility
13 permit. On June 24th, 2005, the operator requested that
14 the LEA issue a stipulated agreement to temporarily
15 increase the permitted daily tonnage limit from 2450 to
16 4125 tons. On June 1st, 2005, the LEA issued a stipulated
17 agreement temporarily increasing permitted daily tonnage
18 to 4,125 tons for no more than 15 days per month. This
19 agreement will expire on September 30th, 2005.

20 In the second situation the North Area Recovery
21 Station exceeded -- they exceeded their vehicle count
22 starting in March 2005. A draft application for revisions
23 to a solid waste permit has been submitted to the LEA. On
24 June 23rd, the LEA received a request from the operator to
25 issue a stipulated agreement to temporarily waive the

1 maximum vehicle limit of 834 per day until the facility
2 can revise its solid waste facility permit. On July 1,
3 the LEA issued an agreement to temporarily increase the
4 maximum vehicle limit from 834 to 1,300 vehicles, not to
5 occur more than 20 days a month. This waiver will also
6 expire on September 30th.

7 Now, as the Executive Director, however, I have
8 concerns regarding the applicability of the stipulated
9 agreement regulations to these two situations. In staff's
10 opinion, these situations do not constitute a temporary
11 emergency, which is defined as a temporary unforeseeable
12 circumstance that does not include a collection or
13 disposal labor strike or competitive market changes.

14 Thus, I question whether the LEA has the
15 authority to issue these stipulated agreements. However,
16 the regulations do not expressly grant the Executive
17 Director authority to deny issuance of the waiver on that
18 basis.

19 Therefore, I am instead scheduling a meeting with
20 the LEA to discuss these concerns and possible amendments
21 to the agreements, included, but not limited, to the
22 following: 1) For the L & D Landfill at the 10,000 cubic
23 yard limit reviewed in the current CEQA document be
24 included as an additional an item or limit in the
25 agreement; 2) the North Area Recovery Station, that the

1 number of vehicles allowed under the agreement be reduced
2 to that level which has been currently documented; and 3)
3 that both of these facilities up for their solid waste
4 facility permits should be processed and issued within 90
5 day time frame that the agreements will be in place. I do
6 not want to see a further issuance or extension of these
7 waivers.

8 And, finally, on the E-waste -- back to the
9 E-waste perspective. The law for the E-waste program
10 authorizes the Board to review the E-waste fee charged to
11 consumers no less frequently than biennially. The first
12 possible date for review is August 1st, 2005, 13 days from
13 now. This requirement survived amendments to the law
14 which were made at the start of fee -- which makes the
15 start of the fee the same day as the start of the payments
16 under the program, January 1st, 2005. This means that the
17 Board only has data for one calendar's quarter collection
18 of the fee. So as the first reviewing date comes around,
19 under the original law there would have been
20 three-quarters of fee collection data available before
21 this review came up.

22 Under these circumstances with which we are faced
23 due to the amendment of the law to SB 50 there is
24 insufficient data available to review the fee to determine
25 if it's sufficient to make payment and program

1 obligations.

2 So staff are suggesting, and I'm suggesting on
3 their behalf, that today's report as I'm giving it to you
4 meets the requirements of the statute, Public Resources
5 Code 42464F, since we are recommending that no action at
6 this time be taken, again for lack of data.

7 The law allows for fee review as frequently as
8 annually. And we think that by August 1st, 2006, there
9 will be enough data to review the fee.

10 The fee also requires that the payment schedule
11 for recovery and recycling of the covered electronic waste
12 be established every two years and by next July 1st. This
13 means that the review of the fiscal aspects of the
14 programs can be done in conjunction with each other in
15 July and August of 2006.

16 And with that, Madam Chair -- and, again, a very
17 hearty and heartfelt thank you for the little surprise --
18 I conclude my Executive Director's report.

19 CHAIRPERSON MARIN: Thank you, Mr. Leary, for
20 that report.

21 With that, unless there are any questions, we
22 will go into public comment. At this point in time if
23 anybody wants to address the Board related to any items
24 not on the agenda, this is the opportunity the public has
25 to address this Board.

1 Okay. We do have one person, Joe Pozzi from
2 Goldridge RCA. This is the time that you have to address
3 the Board.

4 And we limit -- would you please limit your
5 comments to a maximum of three minutes. Thank you.

6 MR. POZZI: Definitely.

7 Thank you, Chairwoman Marin and Board. It's good
8 to see you all again.

9 Again, I'm here from the Goldridge Resource
10 Conservation District in Sonoma County representing the
11 Briggs family dealing with the tire removal on their
12 property, which you're going to discuss later. And I
13 just -- Ernie Briggs wasn't healthy enough to make it
14 today, so I told him I would come here and talk to you
15 about it.

16 We're all ready to go over there with all our
17 permits and the restoration and all the other parts
18 program, which has been kind of a long haul, as you know,
19 with these sites. And, again, everything's lined out and
20 organized and we're ready to start to proceed this month
21 so we could get the restoration done in August. And we
22 have all that engineered and bids and ready to go for that
23 part of it.

24 So I just was here to -- again to ask for your
25 support in the negotiated cost recovery later today when

1 you discuss it. Something that's very important for the
2 Briggs family. And they would like that assistance in the
3 removal part. They're taking care of all the restoration
4 and permitting and engineering which has been done, with
5 the assistance of myself and the Resource Conservation
6 District to help guide them through that process. But the
7 tire removal part is another one that again we're looking
8 for your assistance. And we'd just like to show support
9 for that and ask you to help out at that time.

10 So that's the main reason I'm here. And If there
11 was any questions on that, I just wanted to be available
12 for you to ask me.

13 CHAIRPERSON MARIN: Thank you, Mr. Pozzi.

14 MR. POZZI: Thank you very much.

15 CHAIRPERSON MARIN: Yeah, I don't think that we
16 can take any questions right now. But we really
17 appreciate you showing up here today.

18 MR. POZZI: Thank you very much.

19 CHAIRPERSON MARIN: Thank you, Mr. Pozzi.

20 Next item it will be the consent agenda. But
21 before I do that let me just make a couple of comments
22 regarding what the entire agenda is going to -- how we're
23 going to proceed.

24 Item No. 7 will be the very last matter before
25 the Board today. Item 25 will be heard at exactly 11

1 o'clock. Item 26 and 27 have been continued and will be
2 heard at the Sustainability and Markets Committee on
3 August 9th. And there will be a closed session following
4 Item No. 25.

5 The consent agenda, for your information,
6 includes Items No. 1, 4 revised, 6, 8, 11 revised, 13, 17,
7 18 revised, 19, 20 revised, 21 revised, 22 revised, 23,
8 and 24 are on the consent agenda.

9 Item No 5 was on the consent agenda. But I'm
10 pulling that for a small presentation by staff.

11 And it was my understanding that Mr. Leveille,
12 you want to address the Board for a second.

13 MR. LEVEILLE: Madam Chair and Board members, I'd
14 like to request that Item No. 13 be pulled from the
15 consent agenda.

16 CHAIRPERSON MARIN: Okay. Item 13 will be
17 pulled.

18 Then Items 9 revised and 14 are in the fiscal
19 consent, so we'll hear them briefly for a vote.

20 Item 3 has been pulled. Item 10 and 12 were
21 heard at the Committee level and will not be heard at the
22 Board.

23 And that will leave us with Items 2, 5 revised, 7
24 revised, 13 revised, 15, 16 revised, 25 and 28 that will
25 be heard by the full Board.

1 So with that, let me take the consent agenda and
2 all of the items that I read.

3 Is there -- actually is there a motion -- does
4 anybody else wish to remove any items from the consent
5 agenda?

6 Okay.

7 BOARD MEMBER MULÉ: Madam Chair, I'd like to move
8 approval of the consent agenda.

9 CHAIRPERSON MARIN: Okay. Is there a second?

10 BOARD MEMBER WASHINGTON: Second.

11 CHAIRPERSON MARIN: Moved by Ms. Mulé and
12 seconded by Mr. Carl Washington approval of the consent
13 agenda.

14 Ms. Bakulich.

15 BOARD SECRETARY BAKULICH: Mulé?

16 BOARD MEMBER MULÉ: Aye.

17 BOARD SECRETARY BAKULICH: Peace?

18 BOARD MEMBER PEACE: Aye.

19 BOARD SECRETARY BAKULICH: Washington?

20 BOARD MEMBER WASHINGTON: Aye.

21 BOARD SECRETARY BAKULICH: Marin?

22 CHAIRPERSON MARIN: Aye.

23 Okay. We will now go into Item No. -- oh the
24 first one, Item No. 5 -- Item 2 -- I'm sorry -- the Permit
25 and Enforcement Committee.

1 But let me first here from the Chair.

2 BOARD MEMBER MULÉ: Very briefly, Madam Chair.

3 Thank you.

4 We did hear seven items. As you had just
5 indicated, Items No. 2 and 7 will be heard before the full
6 Board, as will Item 5 because there's a minor change.
7 These were all permit items.

8 And that concludes my report. Thank you.

9 CHAIRPERSON MARIN: Okay. So that leads us to
10 No. 2, Mr. Levenson.

11 DEPUTY DIRECTOR LEVENSON: Thank you, Madam
12 Chair. Good morning, Board members. I'm Howard Levenson
13 of the Permitting and Enforcement Division for the Board.

14 As you indicated, we have three items to hear,
15 one of which will be heard later this afternoon. The two
16 that we can hear this morning can be handled relatively
17 quickly.

18 Item 2 is consideration of a new Full Solid Waste
19 Facilities Permit for the Southern California Recycling
20 activity in southern -- in Riverside County. At the time
21 of the Committee meeting, we did not have a recommendation
22 for concurrence on this item because there were violations
23 that were discovered during the pre-permit inspection and
24 because staff had not reviewed the -- had an opportunity
25 to review the transfer processing report. The Committee

1 asked us to work with the operator and the LEA in the
2 ensuing week to see if we could rectify this situation.

3 So we are able to report to you that we are able
4 to recommend concurrence. We're going to have a short
5 presentation for the record by Mr. Willy Jenkins.

6 MR. JENKINS: Good morning, Madam Chair and Board
7 members.

8 DEPUTY DIRECTOR LEVENSON: Excuse me just one
9 moment, Willy.

10 Just before we get started I want to make sure
11 that you all have the proper documents before you. This
12 was revised last night and this morning. So you should
13 have a revised agenda item, a revised Attachment 3 and a
14 revised resolution. And these are all available at the
15 back of the room.

16 CHAIRPERSON MARIN: Okay.

17 MR. JENKINS: Also, here for this item today is
18 Rick Stokes representing the operator and Laurie Holk of
19 the LEA.

20 Agenda Item 2 is for consideration of the new
21 Full Solid Waste Facilities Permit for a Southern
22 California Recycling, a transfer processing station in the
23 County of Riverside.

24 The proposed permit would allow the following:

25 Receipt of materials at Monday through Friday --

1 Monday through Saturday, 7 a.m. to 5 p.m.; and Sunday, 8
2 a.m. to 4 p.m. Maintenance hours would be Monday through
3 Saturday, 7 a.m. to 5 p.m.; Sunday, 8 a.m. to 4 p.m.

4 Permitted traffic volume of 717 vehicles per day.
5 Tonnage -- permitted tonnage would be 1,000 tons per day,
6 not to exceed 166,700 tons per year of green material and
7 wood waste; 200 tons per day, not to exceed 150,000 tons
8 per year of inert material; 40 tons per day, not exceed
9 10,000 tons per year of metals and white goods.

10 A maximum design capacity of 60,000 tons of inert
11 material; 17,800 cubic yards of green material and wood
12 waste; and 800 cubic yards of metals and white goods.

13 Board staff has determined that all the
14 requirements for the proposed permit have been fulfilled,
15 including verification that the operator has complied with
16 state minimum standards. The LEA visited the site again a
17 second time and provided Board staff with photographs of
18 the areas where the violations had been -- had occurred.
19 And those were corrected. And the transfer processing
20 report, that was reviewed and approved yesterday.

21 Therefore, staff recommends the Board adopt Board
22 Resolution No. 2005-182, concurring with the issuance of
23 Solid Waste Facility Permit No. 33-AA-0297.

24 This concludes staff's presentation. And I can
25 answer any questions.

1 CHAIRPERSON MARIN: Okay. Thank you so very
2 kindly.

3 Are there any questions?

4 Ms. Mulé.

5 BOARD MEMBER MULÉ: Madam Chair, I don't have any
6 questions.

7 If there are no questions, I'd like to move
8 approval of Resolution 2005-182 revised.

9 BOARD MEMBER WASHINGTON: Second.

10 CHAIRPERSON MARIN: Okay. Moved and seconded.

11 Without any further discussion, we will
12 substitute the previous roll call.

13 Thank you.

14 CHAIRPERSON MARIN: Item No. 5.

15 DEPUTY DIRECTOR LEVENSON: Item No. 5 is
16 consideration of a revised Full Solid Waste Facilities
17 permit for the Fairmead Landfill in Madera County.

18 At the time of the Committee meeting there was a
19 recommendation of the Committee to place this on consent.
20 But subsequent to the meeting there were some changes that
21 were proposed to the permit, and we wanted to make sure
22 that this is on the public record for the Board. So we'll
23 have a short presentation by Geri Stryker that outlines
24 those changes.

25 And, again, there are --

1 BOARD MEMBER WASHINGTON: That doesn't look like
2 Geri behind you there.

3 MS. ROSALES: Sorry. We have a change. I wasn't
4 supposed to be here.

5 DEPUTY DIRECTOR LEVENSON: Virginia was supposed
6 to be on jury duty this morning.

7 MS. ROSALES: I was dismissed.

8 DEPUTY DIRECTOR LEVENSON: One second, Virginia.

9 Just wanted to make -- again make sure that you
10 have the proper documents before you. There's been
11 several revisions to this. So you should have revised
12 item, revision 2; revised attachment 3; and revised
13 resolution, revision 2. And again these are in the back
14 of the room as well.

15 CHAIRPERSON MARIN: Okay, Ms. Geri/Virgina.

16 MS. ROSALES: Okay. If it's --

17 CHAIRPERSON MARIN: I was wondering if that was a
18 new nickname.

19 (Laughter.)

20 MS. ROSALES: If it's okay I'll just explain the
21 change rather than go through the entire project.

22 So what the change here is is the maximum depth
23 was not included in the proposed permit, and should
24 instead have been 65 feet MSL, where the proposed permit
25 reads -- where the existing permit reads 46 feet MSL.

1 And then in Board staff's review of the joint
2 technical document in the closure plan for the change in
3 the maximum depth it was found that the estimated closure
4 year should be changed as well, that going from 238 to
5 233.

6 So those are the two changes different from what
7 the Committee heard.

8 Board staff have reviewed these changes and find
9 all the requirements of the proposed permit have been
10 satisfied. Therefore, Board staff recommends the Board
11 adopt Resolution No. 2005-186, concurring with the
12 issuance of Solid Waste Facilities Permit No. 20-AA-002.

13 This concludes staff's presentation. And the
14 LEA, Phil Hedecek, and Kevin Ham of the County of Madera
15 and Evan Edgar representing Madera Disposal are here today
16 to answer any questions you may have.

17 CHAIRPERSON MARIN: Thank you, Mr. Rosales.

18 I don't know that we really have a lot of
19 questions, because the reasons why it's coming is very
20 perfunctory, just to make sure that what we vote on is
21 exactly what we had requested. So --

22 BOARD MEMBER WASHINGTON: Madam Chair, I'd like
23 to move adoption 2005-186.

24 CHAIRPERSON MARIN: Okay.

25 BOARD MEMBER MULÉ: Revision 2.

1 BOARD MEMBER WASHINGTON: Revision 2.

2 BOARD MEMBER MULÉ: Second.

3 CHAIRPERSON MARIN: Okay. Moved and seconded.

4 Without objection, we will substitute the
5 previous roll call.

6 Thank you.

7 Okay. That leads us to Special Waste. Thank
8 you.

9 We're going to -- as I said at the beginning, we
10 are going to -- the last item on Permit and Enforcement,
11 No. 7, will be heard at the very end.

12 That leaves us to Special Waste.

13 Ms. Peace, you have a small report?

14 BOARD MEMBER PEACE: Yeah, just a small. We only
15 had three items that we heard last week in the Special
16 Waste Committee:

17 One were the regulations for the waste and used
18 tire haulers regarding retreaders. They were adopted and
19 put on consent.

20 Two, we heard a very interesting report by Dr.
21 Browning from the San Francisco State University about the
22 do-it-yourself oil changers. The results of this report
23 will help the Board focus its Used Oil Program dollars
24 where they'll make the most sense based on what we know
25 about the behavior of those who do change their own oil.

1 So this way we can further reduce the illegal dumping of
2 oil.

3 And, finally, we heard about the 14th cycle of
4 the Household Hazardous Waste Grant Awards, including
5 \$200,000 for recycled paint certification project. If we
6 are fortunate, the certification project will be completed
7 in time for DGS to begin purchasing the recycled paint
8 they're required in state law to use once the fitness
9 standards are in place. And our hope is that the recycled
10 paint suppliers can remain in business until then. This
11 item's on fiscal consent with a small change in the total
12 amount being awarded.

13 That concludes my report.

14 CHAIRPERSON MARIN: Okay. And so, Mr. Lee,
15 you're going to make that presentation on Item No. 9.

16 DEPUTY DIRECTOR LEE: Thank you, Madam Chair.
17 And good morning, Board members. My name is Jim Lee,
18 Deputy Director of the Special Waste Division.

19 Board item 9 is consideration of the grant awards
20 for the Household Hazardous Waste Grants, 14th cycle,
21 Fiscal Year 2005-6, Integrated Waste Management Account.

22 Household Hazardous Waste Grants are competitive
23 grants designed to support local jurisdictions in reducing
24 the amount of household hazardous waste disposed of at
25 landfills. This cycle continued to focus on the

1 development of local infrastructure, particularly in rural
2 areas, and also an emphasis on universal waste pilot
3 programs.

4 As noted by Committee Chair Peace, a unique
5 aspect of this particular cycle was also the proposed
6 funding for the development of a recycled paint
7 certification system in collaboration with a national
8 effort spearheaded by the Product Stewardship Institute.

9 This item was heard by the Special Waste
10 Committee and was recommend for fiscal consent. As
11 discussed with and approved by the Committee, the item has
12 been revised to reflect a nominal change in the budget of
13 \$358 in the proposed grant to the City of Encinitas.
14 There's a corresponding reduction in our total grant cycle
15 award, from \$4 1/2 million to \$4,499,642.

16 Staff recommends that the Board award Household
17 Hazardous Waste Grants totaling \$4,499,642 to 25
18 identified applicants and approve Resolution No. 2005-192
19 as revised.

20 CHAIRPERSON MARIN: Are there any questions or
21 any comments regarding this particular item? Anybody?

22 No.

23 With that, is there a recommendation?

24 BOARD MEMBER PEACE: I just would like to say,
25 Spencer Fine, who presented this item in Committee, I just

1 want to congratulate him because he just came in fifth in
2 the Donner Lake Triathlon. And so congratulations.

3 With that, I'd like to move Resolution No. 192
4 revised.

5 BOARD MEMBER MULÉ: Second.

6 CHAIRPERSON MARIN: Moved and seconded.

7 Without objection, we will substitute the
8 previous roll call.

9 Okay. That leads us to a nice time for a little
10 break. How's that?

11 We're going to have a little break. We will have
12 to return by 11 o'clock for an item. And everybody's
13 welcome to enjoy a little piece of Mr. Leary's cake.

14 Thank you.

15 (Thereupon a recess was taken.)

16 CHAIRPERSON MARIN: Okay. Welcome back. We do
17 have the continuation of our Board.

18 And to do that will you please call the roll.

19 BOARD SECRETARY BAKULICH: Mulé?

20 BOARD MEMBER MULÉ: Here.

21 BOARD SECRETARY BAKULICH: Peace?

22 BOARD MEMBER PEACE: Here.

23 BOARD SECRETARY BAKULICH: Washington?

24 BOARD MEMBER WASHINGTON: Here.

25 BOARD SECRETARY BAKULICH: Marin?

1 CHAIRPERSON MARIN: I'm here too.

2 Okay. This leads us to Item No. 25 on the
3 agenda. And we are now going to hold a public hearing on
4 whether or not to impose penalties on the City of Fortuna
5 for failure to implement its Source Reduction and
6 Recycling Element.

7 This hearing will be a little more structured
8 than our typical agenda item hearings. And the process is
9 laid out in Attachment 1 of the item.

10 Actually before I continue with this, I -- I
11 always forget to do ex partes and so let me just go
12 through that for a second.

13 Ms. Peace.

14 BOARD MEMBER PEACE: Yes, I spoke to Scott
15 Smithline regarding Item No. 7.

16 CHAIRPERSON MARIN: Thank you.

17 Ms. Mulé.

18 BOARD MEMBER MULÉ: Madam Chair, I spoke to Evan
19 Edgar and George Ewan. It's regarding Public Rule 410.

20 Thank you.

21 CHAIRPERSON MARIN: Thank you.

22 Mr. Washington.

23 BOARD MEMBER WASHINGTON: And I spoke to Mr.
24 Rubin with the Count of Los Angeles, just said hello.

25 CHAIRPERSON MARIN: Okay. And I spoke to Mr.

1 Evan Edgar and Mr. James Legare. Nothing related to the
2 Board -- before us.

3 Okay. In a moment I am going to ask everyone who
4 plans to testify in this hearing to rise and be sworn in
5 by our court reporter, Jim, as a group.

6 After that our staff will make a presentation,
7 during which our Board members here may ask some
8 questions.

9 Representatives of the City of Fortuna will then
10 make a presentation, during which -- I'm sorry -- during
11 which the Board members may also ask some questions.

12 Both staff and the city will then have an
13 opportunity for a brief rebuttal.

14 After the presentations are concluded, members of
15 the public may make brief comments. Those comments are
16 not considered to be evidence. The Board will then go
17 into closed session to deliberate on a decision.

18 After that closed session, we will come back.
19 But the closed session will probably be a little bit
20 longer. So at that point in time it will be lunchtime.
21 And then when we come back we will render our decision.

22 Unless any Board members have any questions
23 regarding the process here, I'd like to ask everyone who
24 plans on testifying to stand so that they can be sworn in.
25 And if I -- yeah Mr. Patrick Stoll.

1 And I believe we have on the phone Jim Aste as
2 well.

3 MR. ASTE: Yes, I am here.

4 Okay. And you are raising your right hand?

5 MR. ASTE: I am.

6 CHAIRPERSON MARIN: Okay. Mr. Court Reporter.

7 (Thereupon the witnesses sworn, by the court
8 reporter, to tell the truth, the whole truth
9 and nothing but the truth.)

10 CHAIRPERSON MARIN: Thank you.

11 Okay. You will have -- you're already here.

12 So, Pat, are you going to be the one that is
13 going to be making the presentation?

14 DEPUTY DIRECTOR SCHIAVO: Sure. Well, I'll
15 initiate it.

16 Pat Schiavo, Diversion, Planning and Local
17 Assistance Division.

18 This presentation will actually be initiated by
19 Elliot Block for the first five slides, and then Jill
20 Simmons of all the staff will finish off the presentation,
21 and then we'll open it up.

22 CHAIRPERSON MARIN: Okay.

23 (Thereupon an overhead presentation was
24 Presented as follows.)

25 STAFF COUNSEL BLOCK: Good morning, Chair Marin,

1 Board members. I'm Elliot Block with the Legal Office of
2 the Board.

3 I'm going to briefly go over the legal framework
4 for the hearing you've got today. And as Pat said, then
5 Jill Simmons will provide the rest of the presentation.

6 Steve, next slide.

7 --o0o--

8 STAFF COUNSEL BLOCK: Briefly, Public Sources
9 Code Section 401825 provides that after public hearing if
10 the Board finds a failure to implement the Source
11 Reduction and Recycling Element, it is to issue an order
12 of compliance with a schedule for achieving compliance.
13 And that order is to include those conditions necessary to
14 complete -- to be completed in order to implement the
15 Source Reduction and Recycling Element. In the case of
16 Fortuna that order was issued in September 2002.

17 Next slide.

18 --o0o--

19 STAFF COUNSEL BLOCK: Public Resources Code
20 Section 41850 provides -- excuse me. That compliance
21 order included a requirement that a local assistance plan
22 be submitted and implemented by the city.

23 Public Resources Code Section 41850 provides that
24 if after issuing the compliance order and the conditions
25 therein the Board finds that the city has failed to make a

1 good-faith effort to implement that compliance order, then
2 the Board may impose penalties up to \$10,000 per day until
3 the compliance order is implemented.

4 --o0o--

5 STAFF COUNSEL BLOCK: And that statute also
6 incorporates by reference the Board's enforcement policy
7 for determining penalties that will be discussed a little
8 bit later in our presentation.

9 Next slide, Steve.

10 Just as point of information, any administrative
11 civil penalties that are imposed by the Board pursuant to
12 these statutes are deposited in the Local Government
13 Assistance Account, which is used solely for assisting
14 local governments in complying with the diversion
15 requirements, and specifically not allowed to be used for
16 the Board's administrative purposes.

17 Next slide.

18 --o0o--

19 STAFF COUNSEL BLOCK: So simply put, the issues
20 for the Board -- before the Board today that Jill will be
21 discussing is: Did Fortuna fail to make a good-faith
22 effort to implement the conditions of the compliance
23 order? And if so, what is the appropriate penalty to be
24 imposed for this failure?

25 Next slide.

1 --o0o--

2 STAFF COUNSEL BLOCK: Just one last point of
3 procedure before I turn this over to Jill. For
4 convenience we've got some items that we want to enter
5 into the record. It includes the Notice of Hearing --
6 that's not me -- it includes the Notice of Hearing for
7 this hearing and a copy of a notebook which includes the
8 agenda item, the attachments to the agenda item, and then
9 the supporting documentation which would be actually the
10 letters that are referenced in Attachment 3, the
11 chronology of that item. A copy of this was provided to
12 the city. And of course we also have proofs of service
13 for those here. So I'm going to just ask those to be put
14 in the record now.

15 And unless there's any questions about those
16 procedural things, I'm going to hand this over to Jill now
17 to continue with our presentation.

18 CHAIRPERSON MARIN: Okay.

19 MS. SIMMONS: Good morning. Jim Simmons with the
20 Office of Local Assistance.

21 Board staff met with city's staff and the hauler
22 on November 20th, 2002, to identify program gaps which the
23 city would target in their local assistance plan. The
24 city was required to adopt the plan by December 31st,
25 2002.

1 --o0o--

2 MS. SIMMONS: During the course of the compliance
3 order, staff has consistently provided technical
4 assistance to the city. Please refer to Attachment 3 of
5 your binders for a chronology of the communications
6 pertaining to program task completion between the city and
7 Board staff.

8 --o0o--

9 MS. SIMMONS: The hiring of permanent staff
10 facilitated the city in being able to complete some of the
11 tasks in the local assistance plan. As you can see, on
12 page 25-4 of the program matrix the city missed all but
13 one of the original targeted due dates. Because the city
14 had not completed many of the programs in the local
15 assistance plan, in late October Board staff discussed
16 with the city that the remaining tasks would need to be
17 completed by the 12/31/04 due date. After meetings with
18 senior management it was determined that the city should
19 be able to implement all of the LAP programs by the due
20 date.

21 --o0o--

22 MS. SIMMONS: By 12/31/04 in assessing program
23 implementation Board staff established that four of the
24 city's diversion program tasks had not been fully
25 implemented. The city had not been able to establish an

1 accurate diversion rate. Although the existing curbside
2 program had been promoted, further expansion had not taken
3 place. The city had made progress regarding recycling
4 education in the schools, but needed to make further
5 progress to make sure school recycling programs were in
6 place.

7 Lastly, the city had not yet taken steps to
8 evaluate the need for a curbside green-waste program.

9 --o0o--

10 MS. SIMMONS: On January 25th, 2005, DPLA staff
11 facilitated a meeting with the city and the hauler to
12 discuss their perspectives regarding why these programs
13 had not been implemented. In the meeting it was agreed
14 upon by the city that the next steps would include
15 conducting a generation study and identifying program gaps
16 that were preventing the city from completing their LAP.

17 On February 28th, the Board staff assisted the
18 city with conducting a generation study as well as
19 identifying programs to be implemented. The following
20 programs were identified: Single stream curbside
21 collection, pilot residential green-waste collection,
22 school recycling, buy-recycled policy, and a C&D
23 ordinance. Staff and the city agreed that May 31st, 2005,
24 was a reasonable time frame to implement these programs.

25 --o0o--

1 MS. SIMMONS: Through May staff continued to
2 provide technical assistance and consultation to the city
3 regarding program development and implementation. On June
4 3rd, staff scheduled a conference call to review the
5 status of the programs that were to be implemented by the
6 end of May. The city reported that they had not been able
7 to implement three of the LAP programs by the due date.

8 --o0o--

9 MS. SIMMONS: The city voluntarily provided an
10 update on July 11th that they had implemented the EPP
11 policy. The agenda item on page 25-5 has been updated to
12 reflect this change.

13 In addition, the city has drafted a C&D ordinance
14 and has held a public workshop, but to date has not passed
15 the ordinance or implemented the program.

16 Additionally, the city reported that they have
17 not implemented the curbside program due to the pending
18 litigation pertaining to the green-waste program and the
19 public records request.

20 --o0o--

21 MS. SIMMONS: Per statute, the Board should
22 consider various factors to determine penalties such as
23 good-faith effort, budgetary constraints and work
24 stoppages.

25 --o0o--

1 MS. SIMMONS: There is a range of penalties that
2 the Board can consider when determining the circumstances
3 that have prevented a jurisdiction from meeting the
4 requirements of a compliance order. These range from a
5 maximum of \$10,000 a day to a minor penalty of up to
6 \$1,000.

7 --o0o--

8 MS. SIMMONS: Staff is recommending a moderate
9 penalty range based on staff's determination of the city's
10 lack of demonstration of good-faith effort and their
11 failure to implement programs for reasons other than such
12 things as budgetary constraints and work stoppages. The
13 city not only missed all but one of the original LAP due
14 dates, but has yet to complete all agreed-upon programs
15 despite having ample time to do so.

16 --o0o--

17 MS. SIMMONS: From the options specified in the
18 agenda item, staff is recommending Option 1, which
19 provides for a one-time penalty for failing to meet the
20 May 31st, 2005, LAP due date, and Option 2, which is
21 assesses a daily penalty if the city fails to implement
22 all remaining programs by September 13th, 2005.

23 Option 2 gives the city eight weeks, which
24 appears reasonable to implement the remaining program
25 tasks.

1 --o0o--

2 MS. SIMMONS: That concludes my presentation.

3 CHAIRPERSON MARIN: Thank you, Ms. Simmons.

4 Okay. Are there any questions for staff at this
5 point in time?

6 Okay. Who's going to be leading the -- okay.
7 State your name for the record.

8 ATTORNEY MORGAN: Amy Morgan. I'm an attorney
9 with Burke, Williams and Sorensen representing the City of
10 Fortuna.

11 CHAIRPERSON MARIN: Thank you, Ms. Morgan.

12 ATTORNEY MORGAN: Thank you.

13 Chair Marin and members of the Board, first of
14 all I want to thank you for --

15 CHAIRPERSON MARIN: Is it turned on?

16 ATTORNEY MORGAN: It's on. There we go.

17 I want to thank you for agreeing to give us a
18 date -- a time certain for this hearing. We appreciate
19 the courtesy extended there.

20 But what we're going to do is I'm going to speak
21 briefly now. Then our Mayor, Tom Cooke, is going to speak
22 and City Manager Duane Rigge. And then I will briefly
23 summarize.

24 The first that I would like to do is renew the
25 request that we made by letter in June for a continuance

1 of the hearing. As indicated by the fact that we have the
2 hauler and their counsel wanting to testify here, this is
3 clearly an unusual situation. We've been sued. We have
4 two lawsuits pending against us on -- that are issues that
5 are present before this Board. We implemented a
6 green-waste program as part of our good-faith effort, and
7 we're sued for it. So based upon that we are asking for a
8 continuance of this hearing.

9 CHAIRPERSON MARIN: Okay. Thank you.

10 Mr. Mayor, if you would please state your name
11 for the record.

12 FORTUNA MAYOR COOKE: Good morning. Tom Cooke.
13 I'm the Mayor of Fortuna.

14 Just to give you some background. I'm also on
15 the League of California Cities Environmental Quality
16 Policy Committee. I'm the Vice Chair currently.

17 Sixteen years ago I was the Public Works Director
18 for the City of Fortuna, overseeing solid waste programs.
19 And with the implementation of AB 939 on the horizon, the
20 city at that time took a proactive stance. And, in fact,
21 we got together with five other smaller cities in Humboldt
22 County and worked on developing the Source Reduction and
23 Recycling Elements that those five cities have. I was the
24 project manager of that.

25 One of the things that we did early on was

1 develop a curbside recycling program, which at the time
2 they said could not be done for small rural cities. And
3 what we did was we incorporated changes in our franchise
4 agreement that required the waste hauler to pick up
5 recyclables, specified recyclables curbside. And we
6 increased the 32-gallon can cost to provide for that
7 service, leaving a smaller can cost such that it was cost
8 effective for people to recycle and reduce waste.

9 That agreement actually continued for 24 years,
10 and we're still in that agreement. It was modified and
11 updated in 1995.

12 But I just wanted to say, speaking for the city
13 council, we are committed to achieving the goals of the
14 Integrated Waste Management Act. And we do have a
15 political commitment to do that. And I just want to
16 assure the Board that that's where we're coming from.

17 CHAIRPERSON MARIN: Thank you, Mr. Mayor. We
18 really appreciate you being here. This doesn't want me to
19 appreciate that you are here today. Okay?

20 (Laughter.)

21 CHAIRPERSON MARIN: Thank you, Mr. Mayor.

22 Mr. City Manager, would you please state your
23 name for the record.

24 MR. RIGGE: I'm Duane Rigge. I'm the City
25 Manager of the City of Fortuna.

1 One of the items that I wanted to stress, and
2 certainly you've received the staff report and I think
3 that it's very appropriate at this time for me to not only
4 thank but to compliment your staff of being helpful, as
5 you want to have it, regulators that we have experienced.
6 They have -- on many occasions have helped us a great
7 deal, both in phone conversations and visiting us. And in
8 fact just recently this spring coming forward and helping
9 us with an audit, if you want to have it, of determining
10 what we feel is our current diversion rate. Made a
11 significant difference of where we thought we were and a
12 significant rise in that.

13 I would like to also address the fact of maybe
14 how we got into the compliance order issue, only to the
15 point that we have -- which I'd like to demonstrate. But
16 we have continued on even in this issue, and also with the
17 help of your staff, of trying to make those commitments.

18 We started slow. We did not meet a number of
19 those deadlines. Part of that is that we had a gap. My
20 predecessor, City Manager Ed, resigned, and there was
21 about a seven-month gap before I came on board, which was
22 about the time that we were placed in a compliance order.
23 And as you will recall, we asked for being placed in a
24 compliance order.

25 Part of that was because we had gone to a

1 negative number in our diversion rate. And the staff, who
2 was not necessarily familiar with all of the background
3 that we had at that time, thought that was the best
4 direction, and probably was.

5 With that said, what we have struggled with is
6 also trying to get some reliance on data that we were
7 receiving on diversion rates. We went from a 45-percent
8 rate -- or a 43 percent in 2001 and dropped to a negative
9 6. And then there was an adjustment made because we found
10 out a great deal of that drop was a large amount of
11 construction debris that was being disposed in the
12 Anderson Landfill under the name of City of Fortuna, but
13 was completely outside of our region. It was in another
14 part of the county. And that is also from our current
15 hauler.

16 With that said, we in good faith struggled with
17 this -- with trying to meet some compliance issues, and we
18 had gone through, if you want to have it, training staff.
19 And it took us quite awhile, quite frankly, to focus on
20 that. We have been in that mode for at least the last
21 year, and have gone along with a lot of these items, some
22 of which was going back, as the Mayor had addressed, and
23 re-implementing the areas we had been at in the early and
24 mid-nineties and programs that we had in place but through
25 that gap issue probably hadn't focused and continued

1 renewing. As you know, a lot of these programs continue a
2 public reminder of where we're at.

3 What we also found is that under our city, which
4 we're relatively small, 11,000 people, and we have the
5 transfer station located essentially in a central location
6 of the city, and the maximum distance to any location
7 within the city limits is about 4600 yards, so a vast
8 majority of our waste is self-hauled and doesn't come
9 through curbside collection. And so a lot of the data on
10 are diversion rate is generated at the transfer station.

11 What we also find is -- or what we felt maybe was
12 happening is because a zip code covers much more than the
13 city limits and encompasses a large part of the county is
14 that most people, if asked where they live, they recognize
15 that they live in Fortuna but don't really. And then when
16 we investigated as to data -- the reliability of the data
17 that we were getting through the transfer station, because
18 about 70 percent of our tonnage goes through self-haul and
19 30 percent between -- rough figures -- on collection
20 through our hauler's franchise agreements, we focused on
21 where those audits had been on survey weeks. And we found
22 that in the past because of the size of the transfer
23 station it apparently had never been audited by the Board.

24 So in December and also in March on their survey
25 weeks, we -- well, with the cooperation of the transfer

1 station owner, who was also our hauler -- audited those
2 numbers by being present at every transaction and using
3 maps and other things to help customers identify exactly
4 where they lived. There was a substantial reduction in
5 the amount of tonnage being credited to the City of
6 Fortuna for both of those survey weeks in the month of
7 December and also last March.

8 We did not continue that effort in June. There
9 was a rapid rise in those numbers back to where they used
10 to be in previous years.

11 What we also then examined was the transfer
12 station data from other transfer stations in Humboldt
13 County, and they had stayed fairly static. We don't know
14 what that really -- there's some implications there. So
15 we're going to go back and perform an audit of our --
16 again in the next two weeks, at the end of July, just to
17 determine whether there was a fluke going on or whether
18 this is an element. Because so much of the tonnage comes
19 through that transfer station on self-haul, there is so
20 much volatility, what we have noticed, that that in itself
21 could push us to the point that we are maybe over the 50
22 percent diversion rate already, because there is that much
23 difference in the numbers.

24 We feel that's important. And because we can't
25 regulate the transfer station, we feel that this is the

1 best way, to go back through survey weeks and find what
2 the tonnages are.

3 So part of our problem is we don't know, we
4 really don't know, what our diversion rate is. We with
5 the help of your staff believe that we're probably around
6 the mid-forties, which is where we were in 2001. But
7 because of this construction debris that tainted the
8 element at the same time of the compliance order, I think
9 the staff that we had at the city, an element showing that
10 we had a major downturn had felt that the compliance order
11 was probably the best option open to the city. And it
12 truly probably was at that time.

13 In hindsight, we might have really questioned
14 that. It took us another year -- my arrival, and about
15 another year or six months to find out what caused that
16 fluke, and in fact was in some of the reasons why your
17 staff has worked with us so well.

18 What we're doing is, on the compliance order
19 issues, we have missed deadlines. There's no dispute
20 about that. But we have -- with our capabilities and
21 budget issues, we didn't bring those items up, not being
22 able to comply with it. But we have trained staff. We
23 have a position that's been filled and diligently done.
24 We have provided an update -- and I'm assuming all the
25 Board members have gotten a copy of the current data and

1 the update supplementing some of the items that you've
2 already from staff. And the implementation of our
3 green-waste program, curbside pilot program, which we went
4 after diligently. And of course by -- the day that we
5 implemented that program we were sued by our hauler.

6 Now, in our franchise agreement our hauler is our
7 partner to achieve AB 939 compliance. And so we thought
8 we were in a very bizarre position here where we're
9 working with our hauler and at the same time we're being
10 sued by our hauler for implementing programs even though
11 green waste isn't even addressed or identified in our
12 franchise agreement with our hauler as a purview of his
13 responsibility or his exclusive right.

14 And there we are right now. And then we're in
15 that point of trying to resolve that suit, and it will
16 probably take us a period of time to do that.

17 So what staff -- what I -- excuse me -- changed
18 my role. What we're asking you as a city is that -- we
19 have felt since we entered our franchise agreement that we
20 are full partners with our hauler of achieving these
21 goals. And in fact in the nineties and what have you we
22 were doing very well at doing that. Something happened in
23 2001, or what have you, that changed things. I wasn't
24 there. I don't know. But there was a major change in
25 direction. And although we have on various times had a

1 lot of dialogue with our hauler of how we can enhance our
2 curbside recycling program, collection program, and in
3 fact maybe even change it to a single stream -- we have
4 pluses and minuses of that -- we have never been able to
5 get to a "yes" for a variety of reasons. Not placing
6 necessarily claim there. But we need time to deal with
7 that.

8 One of the things though we have found is our
9 hauler hasn't necessarily supported the current curbside
10 program, as the Mayor had told you earlier, that we had
11 implemented in the early nineties. Some of that needs
12 education on the city's responsibility to keep on going
13 back to our citizens and reminding them of that, and we
14 have done that. But we also need an active participant of
15 our partner, who is our hauler, of helping us get that
16 program working.

17 I've gotten a lot of dialogue from people about
18 that program, and I won't bore you with those details.
19 But essentially it could be -- the current program that we
20 have could operate better if we had a full partnership
21 with our hauler.

22 I don't know -- in fact, in one of the items in
23 your -- in the staff package and the Board package to you,
24 on tab 13 there's a letter from Richard Smith, who
25 represents the hauler, indicating clearly that ERD has a

1 responsibility to be a partner. That's on their page 3 of
2 that letter. I don't know if you want to reference that.
3 But they had indicated in that letter, and they have in
4 other areas, that they are a partner of ours. But
5 unfortunately every time we've asked for that partnership,
6 we get into this dialogue, "Well, we need more" or "we
7 need to contract or discuss the contract." And of course
8 now we're actually being sued. Puts us in a very, very
9 difficult place to move this thing forward.

10 If you have some questions of me, I would be glad
11 to answer them.

12 CHAIRPERSON MARIN: Thank you, Mr. Rigge.

13 I actually have a couple of questions for our
14 attorney, because the attorney for the city is requesting
15 that this -- actually that this whole process be
16 continued. And a question of process, whether we continue
17 to deliberate, do we first have to rule on that petition
18 and then -- you know, because then all of the further
19 deliberation becomes moot.

20 CHIEF COUNSEL CARTER: Correct. The Board would
21 have to make a motion, there would be a second, and the
22 full Board would vote on it. And if the vote was to
23 continue, you could continue to another date and time
24 certain.

25 CHAIRPERSON MARIN: Yeah. And maybe we can

1 discuss the pros and the cons -- it doesn't want me to
2 talk, this speaker.

3 So I think that the question for the Board first
4 is, at the request of the city -- I mean we've heard a
5 little bit. But the question is if we choose not to grant
6 that request, then at that point in time we can have a
7 further deliberation, asking questions, then we go into
8 closed session and decide whether we want to impose
9 penalties or find that they have done the good-faith
10 effort and so forth.

11 For me the question before us really is the very,
12 very first question: What do we do with the petition to
13 hold this hearing over? And I don't know whether it would
14 be for a period of time or whatever. But to me that's the
15 very first question before us.

16 Do we want to entertain that question first? I
17 think that -- to me that's the first thing.

18 So does anybody feel -- let me think. Do I put
19 the motion before us before we can deliberate on the
20 merits of postponing this hearing?

21 CHIEF COUNSEL CARTER: The motion would be:
22 Should the hearing be continued to another date?

23 CHAIRPERSON MARIN: Okay. That is the question
24 before us.

25 STAFF COUNSEL BLOCK: Madam Chair, just a

1 point -- a question.

2 CHAIRPERSON MARIN: Mr. Block.

3 STAFF COUNSEL BLOCK: If the parties would like
4 to provide some information -- it wasn't clear to me if
5 you were talking about just the Board members speaking at
6 this point or if the parties wanted to provide some
7 further information about that request for a continuance,
8 whether we would do that before or after the motion.

9 CHAIRPERSON MARIN: Well, I think that --

10 STAFF COUNSEL BLOCK: Because I believe I do have
11 a few points I'd like to make regarding that request.

12 CHAIRPERSON MARIN: Well, let me find out first
13 if there is willingness on the part of the Board to even
14 consider that. Because if that's not part of it, then
15 everything else becomes moot.

16 So do we want to consider postponing this
17 hearing?

18 BOARD MEMBER WASHINGTON: Madam Chair, I would
19 like to hear the pros and cons. I hear dates. But I
20 don't know how long we're talking here. And that's the
21 thing that has me -- if they said that this thing is going
22 to court or we have a court date set for August the 1st or
23 something like that, then you kind of -- but I haven't
24 heard any of that from the staff or the attorney in terms
25 of what we're talking about.

1 And I certainly want to hear from Elliot as to
2 the pros and cons as it relates to putting it off, because
3 it does sound like to me this is a convoluted situation
4 with a whole lot of stuff involved here. And It's an
5 issue between the hauler and the city, that we're very
6 familiar with with these type of issues more than once.

7 And so I am willing to consider the information
8 that you put forward to us as it relates to why we as a
9 board, after you have not complied with what we've asked
10 for, why we would want to consider to continue the
11 hearing. What purpose would it serve in the sense of us
12 holding off or allowing you another hearing date? Are you
13 going -- is anything new going to happen once this court
14 matter is settled? Things of that nature. So I'm willing
15 to hear from them.

16 CHAIRPERSON MARIN: Okay. Well, then let's
17 consider first that, whether we should postpone the
18 hearing.

19 Elliot -- Mr. Block, would you like to give us
20 some information regarding that?

21 STAFF COUNSEL BLOCK: Yeah, I just wanted to make
22 a couple of points. And then I'm sure that the city would
23 like to provide -- fill in some of those details. So I'm
24 not going to try to short-cut those because I'm not sure
25 that I'm aware of all of those details.

1 But I just wanted to let you know, in terms of
2 the request for a continuance, at least the way that we
3 have understood it -- and perhaps we can be corrected if
4 that's not the case -- I was actually the person at the
5 Legal Office who was contacted originally by the attorney
6 for the city probably close to two months ago with a
7 request for a continuance for this hearing. And the
8 reason I wanted to make sure to speak is there's this idea
9 of continuance, typically it's not uncommon for the Board
10 if somebody has a scheduling issue or something that's
11 coming up to continue a matter for a month, just to put it
12 off for a month for those sort of things. And had that
13 been the request that was being made, I think we probably
14 wouldn't be sitting here today, at least on this date,
15 having this discussion.

16 The request for a continuance that was made first
17 over the phone and then I actually, based on what I heard,
18 suggested that it be made in writing to you, which it
19 subsequently was, was actually not so much a continuance
20 of the hearing per se as essentially an additional
21 extension of time for the issues to be worked out.

22 There is a lawsuit that was filed in May -- two
23 lawsuits -- but one in particular about the green-waste
24 collection. My understanding is there is a case
25 management conference scheduled for early September. I

1 don't know the details. And I'm sure the city may be able
2 to fill these in.

3 But at this point their request for continuance,
4 which I think really in my view is a misnomer -- it's
5 really a request for extension of time to implement the
6 curbside program or the expanded curbside program -- is
7 essentially open-ended right now. There is no court date.
8 I don't know -- and, again, Ms. Morgan may be able to fill
9 in more on that. I don't know how fast cases come to the
10 courts in Mendocino, but it's not inconceivable we could
11 be talking somewhere between eight months or ten months or
12 the like. I don't know how these move along. But if the
13 case management conference is not for another two months
14 from now -- I mean it's possible that it could be
15 expedited. I don't know. But you're talking, reasonably
16 speaking, probably at least six months before the court
17 case is resolved one way or the other. And then,
18 depending on how that's resolved, we don't know how long
19 it would take for the programs to then go.

20 So I wanted to make sure that was clear, the
21 context of how the continuance came up, what we're talking
22 about.

23 And so to the extent you're looking at granting a
24 continuance, we would respectfully request that there be
25 some very specific dates put on that if you were to go

1 that way.

2 BOARD MEMBER WASHINGTON: Elliot, what's the
3 nexus of doing that with the green waste if they've
4 already -- according to their chart, they've completed the
5 green-waste program? Because that's what the lawsuit is
6 regarding, right?

7 ATTORNEY MORGAN: The lawsuit is over the city's
8 green-waste program, yes.

9 BOARD MEMBER WASHINGTON: And so if they've
10 already completed that, what does that have to do with us?

11 STAFF COUNSEL BLOCK: Right. I'm --

12 BOARD MEMBER WASHINGTON: No, I'm just trying
13 to --

14 STAFF COUNSEL BLOCK: I understand. I'm going to
15 let -- I'm going to ask Jill to explain --

16 BOARD MEMBER WASHINGTON: I mean I just want some
17 specifics in terms of the lawsuit versus why we need --
18 what's the nexus between that --

19 CHAIRPERSON MARIN: I think probably the best
20 answer for that would be the city attorney. She needs to
21 explain to us why should we grant you a continuance.

22 BOARD MEMBER WASHINGTON: Exactly.

23 STAFF COUNSEL BLOCK: And so just to finish up --
24 and I think perhaps our staff might also have an opinion
25 as to the nexus.

1 The only other point I wanted to make was, again,
2 as staff was looking at this, this was a local assistance
3 plan that was submitted in December of '02. This is a
4 franchise agreement that's been in place since 1998. So
5 when the commitment to do some of those things, which
6 included working in partnership with the hauler, was made,
7 these facts were there. It wasn't as if there was a new
8 franchise agreement just entered into that came out of
9 nowhere. So, again, that's the context that staff was
10 looking at when we hit a point to say, you know, we need
11 to bring this before the Board, because now we've got some
12 deadlines that haven't been met and now we're back to
13 needing an unknown quantity of time to bring that program
14 forward.

15 So with that, I don't -- you wanted to -- Okay.

16 CHAIRPERSON MARIN: Ms. Morgan, why should we
17 grant your continuance? And what kind of continuance were
18 you looking for?

19 ATTORNEY MORGAN: Thank you.

20 First of all I would like -- the first question
21 was what procedurally was happening in the case. I'd like
22 to explain that a little bit.

23 First of all, we were sued over the green-waste
24 program on a breach of contract theory and also under
25 federal constitutional rights claims. So we're facing

1 tort damages as well as contract damages because we
2 implemented a green-waste program.

3 We have filed a demur to try to knock out the
4 tort claims because we don't think that's relevant here.
5 This is a contract dispute. And that's set for August
6 8th.

7 There was a case management conference set in
8 early September, as Mr. Block noted. And I can't disagree
9 with him that it is open-ended to the extent that we don't
10 know when this will be heard by the court, when we will
11 get a final decision. I can't predict that.

12 Our plan is to file a cross-complaint against the
13 hauler because we believe that there's been a breach on
14 their side of the contract. I know -- we don't want to
15 get into all this before you because it's not the purpose
16 of this hearing. But that's just to give you the
17 background.

18 Why should you continue it? In looking at
19 staff's presentation, they wanted to give us a continuance
20 until September 18th -- or a new date of September 18th to
21 get the curbside recycling program negotiations finished.
22 I don't think that's -- going to be incredibly difficult to do
23 with the hauler, who has brought suit against us for tort
24 damages. I don't know how that's going to be
25 accomplished. That's going to be very difficult.

1 CHAIRPERSON MARIN: Let me put this clear.

2 What's the standing right now of your green-waste
3 collection program? Is it continuing? Has it stopped?

4 ATTORNEY MORGAN: I believe it's continuing. But
5 Mr. Rigge probably would be the best person to speak on
6 that.

7 CHAIRPERSON MARIN: Mr. Rigge.

8 MR. RIGGE: We have started that as a pilot
9 program. And it's ongoing and it will continue to be
10 ongoing. But we -- and so we're not abandoning it. We're
11 continuing it. And what we have found in every week that
12 we do this -- and we're doing this with city staff and
13 city facilities and equipment -- that our participation
14 from our citizens have continued to increase, and we're
15 getting quite a bit of people now that are taking it as a
16 very positive thing and we're get quite a -- well, my
17 point is it's active, we continue to expand it, we're not
18 abandoning it, we're not going to stop.

19 CHAIRPERSON MARIN: But it's not citywide?

20 MR. RIGGE: Right at this moment, it's not --

21 CHAIRPERSON MARIN: You're right, that you have a
22 pilot program that only covers city properties?

23 MR. RIGGE: No, it deals with a specific
24 neighborhood.

25 CHAIRPERSON MARIN: Area?

1 MR. RIGGE: Area or neighborhood that we felt was
2 a typical model that could be analyzed and very easy to
3 transfer to other locations. We're not -- and under this
4 pilot program we wanted to see if it was going to do what
5 we want it to. It is. And so if you're asking me as the
6 manager of the city, I intend to look for other
7 opportunities throughout the city to expand this program,
8 and increase our efficiencies of this collection and maybe
9 get some specialized equipment to do it.

10 CHAIRPERSON MARIN: Okay.

11 BOARD MEMBER MULÉ: Madam Chair, I have a
12 question.

13 CHAIRPERSON MARIN: Yeah, Member Mulé.

14 BOARD MEMBER MULÉ: Thank you.

15 Is this mandatory, the pilot program?

16 MR. RIGGE: Well, it was one of the items that we
17 had indicated with your staff about this would be
18 something that would help us on getting our diversion.
19 So --

20 CHAIRPERSON MARIN: No, mandatory to the people
21 in that area.

22 BOARD MEMBER MULÉ: Is the pilot program
23 mandatory? And how many homes are included in the pilot?

24 MR. RIGGE: No, it is not mandatory. It is
25 voluntary. And so we wanted -- we go on the fact that

1 mostly people comply because of incentives or it's a good
2 thing for them to do. And so it was a start where we
3 advertised. And my point is the neighborhood I think
4 deals with -- I'm sorry, I'm looking at -- it's about
5 one -- the population size is about a third of the
6 residential area of the city, which is where we have a
7 great deal. As you appreciate, that Humboldt County's
8 quite green because we have the rainfall issue. So we do
9 have green waste.

10 My point is: No, it's not mandatory. But the
11 voluntary rate has significantly increased. And we get --
12 or our participation rate right now is at least 30 percent
13 and growing.

14 BOARD MEMBER MULÉ: Right.

15 Okay. I'll just ask that question for now.

16 Thank you.

17 CHAIRPERSON MARIN: Thank you.

18 Okay. Ms. Morgan.

19 ATTORNEY MORGAN: Thank you.

20 I just also wanted to point out that if there
21 is -- if the Board does grant this continuance, it isn't
22 like the city is not accomplishing anything or doing
23 anything. Right now the diversion rate is at 46 percent.
24 It was at 20 percent in 2002. It's gone up to 46 percent.
25 So there has been substantial improvement. That's very

1 close to the 50-percent diversion rate. And in fact we
2 may be over the diversion rate, you know, depending on the
3 figures that Mr. Rigge discussed. So it isn't a situation
4 of the city's going to go blithely on its way ignoring
5 this Board. No, the city's committed. You've heard from
6 the Mayor. But the problem we're facing is that we're
7 being sued, and we're being sued by the person that we're
8 now supposed to be working with if this Board orders us
9 to -- fines us and orders us to comply with this September
10 18th deadline.

11 CHAIRPERSON MARIN: Okay. Jill, did you want to
12 add something?

13 MS. SIMMONS: Mr. Schiavo does. Thank you.

14 Oh. Well, I'm sorry, Mr. Schiavo.

15 DEPUTY DIRECTOR SCHIAVO: A couple other concerns
16 that we have in addition to the green waste. And we
17 understand the whole situation regarding the legal
18 implications. But the curbside program was due to be
19 implemented September 30th, 2003. That's still an ongoing
20 program in which there doesn't seem to be a lot of
21 progress. And --

22 CHAIRPERSON MARIN: And this is separate from
23 the green waste?

24 DEPUTY DIRECTOR SCHIAVO: This is separate from
25 the lawsuit.

1 In addition, there's a C&D program and policy
2 development, which is totally under the purview of the
3 city, and that has not been implemented.

4 And, in addition, if you look at the
5 implementation schedules. And part of the staff
6 frustration is that this has taken an inordinate amount of
7 time. Even when we feel we get commitments to get things
8 implemented, something seems to occur, and then we have to
9 go back and have further discussions and move forward.
10 And so that's why we're not in agreement with it.

11 CHAIRPERSON MARIN: Thank you, Mr. Schiavo. I
12 understand the frustration, and it gives us no pleasure.
13 You can rest assured it gives us no pleasure to be having
14 this discussion with the City of Fortuna. And I know the
15 Mayor appreciates that. It's very difficult. But the
16 question is before us. So -- you know.

17 I know Ms. Peace has a couple of comments.

18 BOARD MEMBER PEACE: Well, if we're still on the
19 issue of a continuance, I -- which I feel bad. I
20 sympathize with the city, that they are, you know, trying
21 to implement like a green-waste program and they're
22 getting sued by their hauler. I realize you just said
23 you're at 46 percent, and that is very good. But you've
24 had trouble for a lot of years reaching an agreement with
25 your hauler. This has not -- this has been going on more

1 than a few months. It's been going on for years. And I
2 think as a Board I would rather stay out of the
3 city/hauler legal quagmire and not set this as a precedent
4 of something to look at. And personally I'd like to just,
5 you know, hear it today and not do the continuance.

6 CHAIRPERSON MARIN: Okay.

7 STAFF COUNSEL BLOCK: Excuse me, Chair Marin.
8 Sorry.

9 CHAIRPERSON MARIN: Yes, Mr. Block.

10 STAFF COUNSEL BLOCK: At the risk of making this
11 more difficult than possible, I just wanted to remind you
12 you do have a representative of the hauler on the phone in
13 case you wanted to ask a question or not. Not that I'm
14 suggesting that you do or you don't. But he has made
15 himself available. So I didn't -- he has no way of
16 raising his hand over the phone, so I felt obligated to
17 just mention it.

18 CHAIRPERSON MARIN: Yeah, we can't -- this
19 telephone system doesn't have the ability to see him
20 raising his hand. And he probably wants to speak and say
21 something.

22 But at the risk of putting him aside for a little
23 second, I don't know that what he has to add is going to
24 help us with the issue of whether we need to continue this
25 or not, the hearing.

1 So if nobody wants to add anything more -- I
2 heard from Ms. Peace. She'd much rather deal with it now
3 and not do the continuance.

4 MR. RIGGE: Madam Chair?

5 CHAIRPERSON MARIN: Mr. Rigge.

6 MR. RIGGE: If I may add, yes, you did talk about
7 this has been an ongoing franchise agreement. And I guess
8 I really want to again emphasize, we have had a
9 curbside -- as the Mayor pointed out, a curbside recycling
10 program that has been implemented quite some time ago.
11 We're not necessarily saying it can't be enhanced. The
12 hauler came to us and asked for -- that maybe there would
13 be an enhancement. But in the franchise agreement, all of
14 those mechanisms are in play. And we have had discussions
15 with the hauler about his options to do that, that could
16 include efficiencies for him. It doesn't necessarily take
17 an item. And I'm not necessarily saying a single stream
18 or a sorted recycling stream, that we now have, one is
19 superior over the other.

20 But the point is: We have not been able to get
21 to that because of this element. And now with the
22 litigation going on, we really can't address it, because
23 there's nothing we can do other than deal through legal
24 channels to do that at the moment. And so we are kind of
25 tied with that.

1 But I want to make sure it's clear that we do
2 have a program, it has been successful. But, again, the
3 hauler on the franchise agreement represents only 30
4 percent of the waste stream. And there is a lot of
5 recycling being done through the transfer station. But
6 with that said, one of the numbers that we dealt with the
7 hauler of saying this single-stream program will bring you
8 to the diversion land of 50 percent plus, I have a hard
9 time doing that math considering the percentages here, if
10 you understand what I'm saying. If only 30 percent are
11 using the hauler's services, and then the curbside
12 program, I don't know if those numbers will make a
13 difference in going again back to it. If we did know the
14 transfer station numbers back in 2001, we might have
15 really questioned why we needed to go on a compliance
16 order since we were at the 40 percent level already and
17 there was this anomaly. And I still believe that what we
18 need to clearly identify is what is City of Fortuna waste
19 stream now and get reliable transfer station data.

20 That's different from this. I'm not trying to
21 say -- or a ruse where we're trying to get away from
22 getting a -- or we're asking for an extension. It's the
23 ability to implement this.

24 And also the plea is: I have a very small staff
25 that have a lot of issues. And you can imagine the issues

1 that we deal with with the budget that we have. And so
2 sometimes we do make very good faith commitments, but
3 because of other time issues we miss them or there's
4 things that are out of our control.

5 As for the construction and demolition debris
6 ordinance, we have had a workshop. And I can guarantee
7 you, and the Mayor can substantiate it, in the last three
8 council meetings I've had quite a bit of dialogue, pro and
9 con, about what we are doing there. We have certainly got
10 the attention of our construction industry as to how their
11 participating and dealing with it. I think we're -- that
12 element for our rural city is ripe, and that we can move
13 that along, because we certainly got the builders'
14 attention, pro and con.

15 CHAIRPERSON MARIN: I'm sure. I'm sure, Mr.
16 Rigge.

17 Ms. Mulé.

18 BOARD MEMBER MULÉ: Thank you, Madam Chair.

19 I tend to agree with Board Member Peace. I'd
20 like to hear this now. And let's deal with this now and
21 get through it.

22 Thank you.

23 CHAIRPERSON MARIN: Okay. Just so that you
24 know and the reason whenever there is a dissension and we
25 don't have -- our Board requires that we have a minimum of

1 four votes. And because we only have four Board members,
2 even if there is only one that doesn't, for whatever
3 reason -- and I appreciate the perspective of Ms. Peace --
4 we have to go along with that. So --

5 ATTORNEY MORGAN: I understand. Thank you for
6 considering our request.

7 CHAIRPERSON MARIN: Right.

8 So with that, we would -- I'm very prepared --
9 unless anybody needs to add anything more, what we're
10 going to do is go into closed session and deliberate
11 amongst ourselves.

12 You have a few more things to say. I'm sorry.

13 ATTORNEY MORGAN: Just a few more. And I will be
14 concise, I promise.

15 CHAIRPERSON MARIN: Then let me just suggest to
16 Mr. Jim Aste and/or Mr. Stoll that after you guys make
17 your comments, they're welcome to make any statements if
18 they so choose. Okay?

19 I got my attorney thinking, "Oh, my God, nobody
20 really spoke here yet that is not from the City of
21 Fortuna." I'm pretty aware of that. So go ahead and make
22 your statement and we'll go from there.

23 ATTORNEY MORGAN: Thank you.

24 Just on a housekeeping level I'd like to move
25 some documents into the record. I wanted to make sure

1 that the documents we submitted on July 11th are admitted.
2 Those are the franchise agreement, the two lawsuits
3 against the city, the city's update on the chart that is
4 in the staff report on page 24 -- 25-4, and the status
5 report on our green waste and compost program.

6 CHAIRPERSON MARIN: Okay. If you have those
7 items, you can certainly just give them to the secretary,
8 Jeannine Bakulich.

9 ATTORNEY MORGAN: I believe they've been provided
10 already.

11 CHAIRPERSON MARIN: Okay. For the record then.

12 ATTORNEY MORGAN: Thank you.

13 CHAIRPERSON MARIN: Thank you.

14 ATTORNEY MORGAN: I also wanted to object to the
15 admission of the letter that Mr. Smith submitted on
16 July -- I believe it was July 14th. I would object on the
17 grounds of untimeliness, hearsay, lack of foundation, and
18 it's not under penalty of perjury.

19 CHAIRPERSON MARIN: Okay. Your objection is
20 noted. Thank you.

21 ATTORNEY MORGAN: Thank you.

22 And just to sum up here. The first point I want
23 to make is that, it's true, there were deadlines that were
24 missed. But if you look at the overall picture, there was
25 substantial compliance with the LAP. There were three

1 items identified in the staff report that were not
2 completed. But if you look at two of those, the C&D
3 program and policy development -- and the environmentally
4 preferable purchasing policy, those are in progress. The
5 first is in progress. The second has been completed. So
6 the only thing that's left is to expand the curbside
7 program. And we talked about the issues there.
8 Notwithstanding the fact that there is currently a program
9 still operating.

10 Moving beyond the substantial compliance, the
11 city has acted in good faith certainly. The statute and
12 staff's analysis in the report talks about a few factors
13 that this Board is to consider in determining good faith.
14 I'd like to just briefly touch on two of those.

15 The first is the effect of the failure to comply
16 with the LAP. Here there's been a failure to meet certain
17 deadlines. But the effect of that is not -- I would argue
18 that it's not so extreme given that the diversion rate is
19 at 46 percent. It isn't a situation where we're still at
20 20 percent, which is where we were when the -- in 2002
21 when the compliance order was put in place. So I would
22 ask the Board to consider that in deciding good faith.

23 In addition, the reasons for the failure. We had
24 staff upheaval at the city that Mr. Rigge discussed,
25 problems with the hauler that we have -- been made

1 abundantly clear here. And basically I guess our --
2 obviously we don't a fine. We feel like we've
3 substantially complied, we've acted in good faith. So we
4 ask the Board to not impose a fine. But if the Board
5 decides to, we do agree that the fines that staff has
6 recommended are reasonable and would ask the Court -- not
7 the Court. I'm sorry. I'm used to being in court.

8 CHAIRPERSON MARIN: We can all be judges. Don't
9 worry about that.

10 ATTORNEY MORGAN: We would ask the Board to
11 follow those.

12 Thank you.

13 CHAIRPERSON MARIN: Thank you, Ms. Morgan.

14 Let me ask -- okay. Ms. Peace, do you have a
15 couple of questions for Ms. Morgan?

16 BOARD MEMBER PEACE: Well, so we decided we're
17 going to hear it. Can we start asking some more questions
18 then?

19 CHAIRPERSON MARIN: Yeah, this would be the time
20 to do that. I just -- we're not going to deliberate
21 amongst ourselves.

22 BOARD MEMBER PEACE: Right. I just have some
23 questions to ask when we're ready to --

24 CHAIRPERSON MARIN: Sure. Go ahead.

25 BOARD MEMBER PEACE: One, I'm still kind of

1 unsure about your curbside and your green waste.

2 You have a curbside collection program now, you
3 said?

4 ATTORNEY MORGAN: (Nods head.)

5 BOARD MEMBER PEACE: Is it voluntary, the whole
6 thing voluntary? Or just the green waste voluntary?

7 MR. RIGGE: The curbside collection as well as,
8 if you want to have it, the trash hauling is all
9 voluntary. Like I mentioned, the transfer station is
10 located in the city limits; and the farthest distance
11 anyone is from that transfer station is 4600 yards. And
12 we have a -- kind of a -- if you live in Humboldt County,
13 you have to have a pickup truck. So we have a lot of
14 self-haul.

15 My point is, the curbside program is voluntary in
16 the sense of the recycling and the garbage. And that
17 represents maybe 30 percent of our residents.

18 BOARD MEMBER PEACE: So everybody that has their
19 garbage picked up doesn't necessarily have to have --
20 doesn't necessarily have to recycle, that's voluntary?

21 MR. RIGGE: No. The curbside recycling program
22 is imbedded in -- so if you subscribe to garbage
23 collection at a curbside, then you'd automatically get the
24 recycling program. It's imbedded in the price. It's not
25 an option in or out.

1 BOARD MEMBER PEACE: And they re-sort the
2 recyclables in bins?

3 MR. RIGGE: It's sorted in two containers
4 currently. And, again, that's at the option of the
5 hauler, as to implementing what kind of --

6 BOARD MEMBER PEACE: And that's citywide. But
7 the green waste is voluntary just in a certain area?

8 MR. RIGGE: Right now this -- under the pilot
9 program the city selected a neighborhood we thought was a
10 typical if in fact would probably have -- it's more
11 cohesive in the sense of identifying itself as a distinct
12 neighborhood. And we selected that as our pilot program.
13 And it is voluntary. And it has rapidly increased from
14 week to week in our participation program. We have given
15 awards, compost bins, for those people that have
16 participated in the program. And it appears that we'll
17 continue to grow. And, as I mentioned earlier, it's our
18 intention to expand that program throughout the city.

19 BOARD MEMBER PEACE: I think you said you had
20 like 70 percent of your waste stream is self-hauled. And
21 I believe two-thirds is commercial, only one-third is
22 residential of your waste stream?

23 MR. RIGGE: That's about it.

24 BOARD MEMBER PEACE: So what I want to ask staff
25 is even if they did have a green-waste program, what

1 percent could we expect their diversion rate to go up?

2 Do we have any idea?

3 MS. MORGAN: Board Member Peace, to say exactly,
4 we're not exactly sure. What we've looked at is some of
5 the neighboring jurisdictions that have implemented
6 single-stream programs and the increase in tonnage that
7 those jurisdictions are receiving. So we were
8 anticipating between two programs, both the single stream
9 and the C&D implementation, that by implementing fully
10 those two programs, that the city would be able to meet
11 their diversion mandate.

12 BOARD MEMBER PEACE: So between those two things
13 you could get another 4 or 5 percent?

14 MS. MORGAN: Correct.

15 CHAIRPERSON MARIN: Your name for the record,
16 staff member.

17 MS. MORGAN: Thank you. Cara Morgan, Office of
18 Local Assistance.

19 CHAIRPERSON MARIN: Thank you.

20 BOARD MEMBER PEACE: I guess I have another
21 question.

22 In this green-waste pilot program -- maybe I need
23 to ask the hauler -- why are you being sued? Was it
24 because -- well, he says that he owns the green waste
25 that's part of the -- he has --

1 ATTORNEY MORGAN: The hauler's allegations are
2 that that's -- the green waste is covered under his
3 exclusive franchise agreement, and by operating our own
4 program we've violated the agreement. That's the
5 contention in the lawsuit.

6 BOARD MEMBER PEACE: And so were you not able to
7 work out a green waste agreement with the hauler before
8 you decided to do it on your own?

9 MR. RIGGE: Addressing that. Considering the
10 difficulty we have of getting to the point on the curbside
11 recycling program, we chose to implement it ourselves to
12 see what it would be before we -- because we didn't know,
13 frankly, if it would be a success or not. And so it was,
14 again, a pilot program. If this is successful, it doesn't
15 necessarily mean that we're going to continue doing it
16 with city staff and city facilities per se. But I thought
17 as an experiment that was the safest way to approach it
18 with city funds.

19 CHAIRPERSON MARIN: Yeah. And let me -- if I
20 may, let me just caution us, because as far as this Board
21 is concerned, whether you implement it yourself or your
22 hauler or somebody from Timbuktu, that should be
23 irrelevant to the discussion before us. Because the
24 mandate that we have for them is to reach a certain
25 percentage. And so the dispute, if you will, should be,

1 as far as this Board is concerned, irrelevant to the fact
2 of whether the mandate and the good-faith effort has taken
3 place or not. Okay?

4 MR. RIGGE: Thank you.

5 CHAIRPERSON MARIN: Any further questions?

6 Okay. Let me -- yes, go ahead, Ms. Mulé.

7 BOARD MEMBER MULÉ: Thank you, Madam Chair.

8 I just have a couple quick questions for the
9 city. You know, you indicated that your curbside program
10 is not mandatory. And so you have about a 30-percent
11 participation rate on your current curbside program?

12 MR. RIGGE: Yes, that is both garbage, if you
13 want --

14 BOARD MEMBER MULÉ: Right, and recycling. And
15 again, as was stated earlier, two-thirds of your waste
16 from the area is self-haul or two-thirds of the waste from
17 the city is self-haul?

18 MR. RIGGE: We believe it's the city. We're not
19 sure because we don't necessarily have access to all the
20 transfer station data until we do the survey information,
21 because that's not part of the franchise agreement.

22 BOARD MEMBER MULÉ: Okay. So a third of the
23 city's waste is under franchise agreement, and a third of
24 that is residential waste, right?

25 MR. RIGGE: That's correct.

1 BOARD MEMBER MULÉ: And then you have a
2 30-percent participation rate --

3 MR. RIGGE: Well, that's the --

4 BOARD MEMBER MULÉ: -- of that residential?

5 MR. RIGGE: No. What I'm suggesting is of the
6 residential and commercial, the total, it's about a third
7 of city's.

8 BOARD MEMBER MULÉ: Okay. So would it behoove
9 the city then, rather than -- and I don't want to get into
10 the argument between you and your hauler, because that's
11 really not what we're here for. But I would think as a
12 city, wouldn't you want to consider having a mandatory
13 collection program for your entire city curbside? Because
14 to me the issue is not whether you go to a single stream;
15 it's whether you have a mandatory collection system in
16 your city for both residential waste and curbside
17 recycling.

18 MR. RIGGE: We at staff have certainly discussed
19 this. I in comments have -- we certainly have them
20 presented to the council.

21 Part of the issue of the mandatory -- I know it
22 sounds appropriate. And I have lived in urban areas too.
23 But in a very rural city like us, with a transfer station
24 right in the center of the city, it's pretty hard to deal
25 with that when people say, "I'm used to doing this

1 ourselves." And because we're a coastal city we do not
2 have the large temperature swings that you do here in the
3 valley. In other words, a hot day in Fortuna is 80.
4 People can store garbage if you want to have it for a week
5 without a problem.

6 My point is, until we really know what our total
7 tonnage is attributed to the City of Fortuna, not the
8 outlying county area, that sometimes consider themselves
9 Fortuna, we really don't know where we are. And until we
10 get our arms around that, we probably won't.

11 BOARD MEMBER MULÉ: Okay. And so then my
12 question to you -- and then I'll have another question for
13 staff -- is: Why haven't you done that sooner?

14 MR. RIGGE: What's that?

15 BOARD MEMBER MULÉ: The audit -- the survey.

16 MR. RIGGE: Well, part of it is because we relied
17 on our hauler providing accurate information. And it was
18 this general disclosure that we had to go out and
19 investigate and find on our own because it wasn't
20 volunteered. Such as, how did we get to that 20 percent
21 number to begin? That was an adjustment number because we
22 had already gone negative. We had to go out and find out
23 that all of this other tonnage had come in from an
24 outlying area in the county and taken to Anderson Landfill
25 and credited as the City of Fortuna. My point is, that

1 was the same time that staff from Fortuna is saying, "I
2 guess we need to go on a compliance order because we're
3 going way down hill.

4 I would venture to guess that we really didn't do
5 that. And subsequent review has indicated that just
6 auditing on survey week with city staff participating
7 every transaction for that whole week that we see a
8 significant difference in the tonnage attributed to the
9 City of Fortuna in a very large downward trend that in
10 itself will change maybe the diversion rate by as much as
11 20 percent. So therein lies part of our problem.

12 We're not suggesting we shouldn't be focusing on
13 all these other programs. But, again, I'm kind of the
14 person that says, "Let's go where the biggest difference
15 could be made." And it looks like some of our problem is
16 at the transfer station.

17 BOARD MEMBER MULÉ: Well, and I couldn't agree
18 with you more. And I've had many discussions with staff
19 on allocation issues and the whole fact of disposal
20 reporting. Because that's what it sounds like. There was
21 some problems with the reporting of where that waste was
22 actually coming from, whether it was within city
23 boundaries or outside. But that's another issue for
24 another day.

25 MS. MORGAN: Board Member Mulé?

1 BOARD MEMBER MULÉ: Yes.

2 MS. MORGAN: If I may. Cara Morgan, Office of
3 Local Assistance. I remembered this time.

4 Two points. I did want to respond to your point
5 about universal collection. As a part of the revised work
6 plan that we developed with the city in February
7 establishing a universal waste program, as you've said, is
8 one of the tasks that the city is supposed to complete.
9 There's a number of tasks that they're to complete by the
10 end of the year. So I did want to bring that up, that
11 that is something that we had put into the work plan for
12 the city to be working on. Because, you're right, to
13 really get to where they need to go, they need to have all
14 of the puzzle pieces in place. And so that is something
15 they are to complete by the end of the year.

16 And, secondly, your point as far as the disposal
17 reporting system. In the work plan this was supposed to
18 be a continual task for the city. They did, as they
19 mentioned, on those occasions work with the transfer
20 station to ensure that the records were accurate. The
21 expectation was, you know, the city continuing to work in
22 that endeavor. We certainly have staff that have -- both
23 in the Waste Analysis Branch and Office of local
24 Assistance have continued to provide that assistance to
25 help them in that effort with the auditing, et cetera. So

1 that is something that's a part of their role work plan,
2 and the expectation is that this would be a continuous
3 thing that the city would work on. So your point about
4 "Why did you stop?" was a question that we had as well.

5 BOARD MEMBER MULÉ: Okay. So you're say this was
6 something that we had started a few years back and then it
7 just seemed to drop off the radar screen?

8 Pat.

9 DEPUTY DIRECTOR SCHIAVO: Apparently so.

10 One of the things I'd like to mention on putting
11 together a local assistance plan. It's not a plan that
12 Board staff put together, give it to the jurisdictions to
13 say, "This is it. Go run with it." It's something that
14 we work collaboratively with the jurisdiction. And if
15 there are problems, we need to understand that. But,
16 again, this plan is put together with the full willingness
17 of all parties to move forward with it on a timely manner.
18 The dates are scheduled with the city's compliance and
19 agreement. So, again, the whole process is --

20 BOARD MEMBER MULÉ: Good. No, thank you for
21 bringing that up, because another question I have for
22 staff is: Was the LAP or the SRRE, was it amended? Did
23 it change over time since 2000, especially the local
24 assistance plan?

25 MS. MORGAN: Yes. The local assistance plan --

1 when we found that the city was struggling to -- back in
2 December not meeting the LAP, we worked with them to
3 conduct the generation study and perform a program gap
4 analysis. As a result of that, we worked collaboratively
5 with the city, as Pat said, to come up with a revised
6 plan, with revised due dates, upon which all parties
7 agreed that those were reasonable. And that was the May
8 31st due dates for these particular tasks.

9 There's some other tasks. As a mentioned,
10 universal collection system, which was towards the end of
11 this year. So they have other tasks that they were still
12 supposed to be working on. But it's those tasks that were
13 to be completed by May 31st that we came up with the dates
14 collaboratively on those dates.

15 BOARD MEMBER MULÉ: So did we add or delete any
16 of these program elements?

17 MS. MORGAN: We did. With respect to the initial
18 local assistance plan, siting a compost facility. In
19 meeting with the city and the hauler, we were in agreement
20 that there were adequate market outlets for the green
21 waste. So that task, although it had been identified in
22 2002, we felt that it was no longer needed or applicable.

23 BOARD MEMBER MULÉ: Right.

24 MS. MORGAN: In addition, we added some programs
25 which included the C&D ordinance as it relates to our site

1 visit and generation study. We were looking at the
2 changes in the city's waste stream and the building that's
3 going on, et cetera, as well as the procurement policy,
4 because that was a piece that was not in place. I'm not
5 sure I mean why we didn't identify those things initially.
6 But so that the local assistance plan was revised in
7 collaboration with the city, including the agreed-upon due
8 dates.

9 BOARD MEMBER MULÉ: Okay. So we added C&D and we
10 added the EPP in January of this year?

11 MS. MORGAN: February.

12 BOARD MEMBER MULÉ: In February of this year.
13 Okay. So we added those two programs.

14 And then one more question that I have then. Is
15 there infrastructure in place, processing facilities to
16 handle the C&D material? Because, again, I don't think it
17 makes sense to put an ordinance or a policy in place if
18 there's not the infrastructure to handle it.

19 MR. RIGGE: One of the good news is, yes, there
20 is. Not categorically for every item, and that's what
21 we're identifying. But we also have found, not
22 necessarily to our surprise, but we have a lot of builders
23 that have been doing this as a way of life for many years,
24 and they're pointing those out to us and sharing their
25 experiences of how it works for them.

1 BOARD MEMBER MULÉ: So they're already diverting
2 a portion of that particular waste stream?

3 MR. RIGGE: General experience, having been in
4 small cities, is that some times the -- if you want to
5 have it how we do things and how we're frugal about items
6 is essentially maybe part of the rural way of life. So
7 people this waste not want thing.

8 BOARD MEMBER MULÉ: Right. I've lived in rural
9 areas myself, so I understand.

10 MR. RIGGE: I appreciate that you have.

11 BOARD MEMBER MULÉ: Thank you.

12 Thank you, Madam Chair.

13 CHAIRPERSON MARIN: Okay. Now, it would be the
14 time for Mr. Aste, who's on the phone. If he wants to be
15 heard, this will be the time to speak up.

16 MR. ASTE: Thank you, Madam Chair. This is Jim
17 Aste at Harland Law Firm. And I'm appearing on behalf of
18 Eel River Disposal, the hauler.

19 And I wanted to start out by thanking you for
20 accommodating us to appear by telephone. We did intend to
21 be there in person today. But our plane was grounded and
22 we were unable to make it.

23 CHAIRPERSON MARIN: Thank you.

24 MR. ASTE: My purpose of being here today is
25 really just to respond to the city's presentation as it

1 relates to actions or inactions that they allege that Eel
2 River Disposal has done. And we're not attempting to
3 advocate for or against imposition of any fines. We are
4 in partnership with the city to try to accommodate
5 reduction and waste under the laws, and we intend to
6 continue to do that.

7 And it's unfortunate to be in a position where
8 the city is apparently placing blame -- for almost all of
9 the failures to implement the programs, they're trying to
10 place the blame on us. But at any rate we're very willing
11 to go forward with this. And I think in the letter you
12 see that there's been quite a bit of negotiation.

13 Just to start out, I did want to clear up some
14 possible confusion over the litigation. In the letter
15 from the city there was reference to litigation as to the
16 Eel River Disposal's responsibility to implement the
17 measures. And I'm not aware of any such litigation. I
18 don't believe that there is any litigation that's been
19 enacted by the city. And even if there were, it would
20 require prior to filing any litigation that there be some
21 notice to the hauler and an attempt to try to negotiate
22 problems prior to litigation.

23 Which leads to the litigation related to the
24 green waste. We did attempt several times to informally
25 discuss our concerns with the city. And they -- we

1 appeared before the city council, several letters, and had
2 just gotten no response at all. And so we were forced
3 really to file a civil action in order to -- it's a
4 declaratory action. And we're asking the Court just to
5 determine whether we have exclusive rights to be picking
6 up the green waste in the area. We still have no response
7 from the city. And I believe your staff also concurs that
8 it provides no impediment to the negotiations --
9 single-stream recycling. So as far as our subject here
10 today, I think it's not particularly relevant.

11 My understanding is there's three areas of
12 noncompliance that are up for discussion today. And I see
13 it as only one area that's really relative to our
14 discussions, and that's the implementation of the
15 single-stream recycling. And under that I'm not going to
16 elaborate again. You've seen in our letter all of the
17 negotiations that have gone back and forth between the
18 city and the franchise holder. And under the current
19 franchise agreement, it's very clear that the recyclables
20 are to be separated by cost difference. It's not a
21 commingled arrangement.

22 And under the franchise agreement also, any
23 alterations to the service has to be adjusted
24 corresponding compensation.

25 So we are more than willing to go forward and try

1 to work with the city to try to reduce the amount of
2 recyclables. And, in fact, Mr. Hardin of Eel River
3 Disposal has already expended \$200,000. And he does have
4 a sorting facility already up and running at his transfer
5 station. And he did so in anticipation of being able to
6 reach an agreement with the city to have the single stream
7 recycling program enacted.

8 As far as the negotiations, Pat Stoll, his
9 accountant, did present the city with calculations of the
10 extra added cost to him for implementing such a program.
11 And Mr. Stoll is there present in the audience if you do
12 have any questions of him.

13 But the bottom line is this is a small franchise
14 and it's a family-operated franchise. And it's very
15 important that any detrimental decision made by Mr. Hardin
16 could basically bankrupt his operation. So it's very
17 important that he be involved in these negotiations. And
18 we did so in good faith. And I believe we're very, very
19 close on reaching an agreement. As far as the single
20 stream, we're still very hopeful that that comes into
21 effect and that we can reach an agreement.

22 As far as Mr. Hardin, the Eel River Disposal's
23 past performance as far as promoting reduction and waste,
24 he's done many things on his own actually that aren't even
25 required on the franchise agreement. He at one point had

1 hired a solid waste coordinator at his own expense. He's
2 done presentations at events and schools. And I think you
3 can see from your staff report that he's also provided
4 containers and special events for recyclable materials.
5 He's also implemented the compost program at his transfer
6 facility. And, in addition, he does have the C&D facility
7 at his transfer station.

8 So that's pretty much it. Again, we are partners
9 with the city. We hope that we can go forward with
10 negotiations. I think we're very close. And we have no
11 interest in seeing the city penalized. Again, our
12 interest here today is just to answer any questions you
13 may have with regard to the allegations that are being put
14 on Eel River Disposal.

15 CHAIRPERSON MARIN: Thank you, Mr. Aste.

16 Are there any questions for Mr. Aste?

17 There are no questions for you, sir. Thank you
18 so very much for being on the phone. And after we
19 deliberate I'm sure we'll be able to hook you up if you
20 need to so that you can hear what our recommendations will
21 be. Or rather what our actions will be.

22 There is somebody that was willing to speak if he
23 needed to.

24 Mr. Patrick Stoll, would you like to address the
25 Board.

1 MR. STOLL: Madam Chair and members of the Board.
2 Thank you very much for the opportunity. I'm Patrick
3 Stoll. I'm a Certified Public Accountant from Santa Rosa,
4 California, and I work with Eel River Disposal for well
5 over 20 years now. I will be brief, because Mr. Aste I
6 think has covered most of what I wanted to say.

7 I have been though -- to the extent that Mr.
8 Richard Smith responded in a letter of July 14th, I had
9 been present to much of what he referred to. And I can,
10 standing before you as sworn, indicate that to the best of
11 my knowledge and belief that data is all complete, and
12 certainly with respect to the calculations and the
13 participation of myself.

14 I met with the City Manager and Mayor one
15 evening, as Mr. Smith refers to in this meeting, and we
16 went through a number of financial elements to our
17 proposals. We have calculated, recalculated and
18 recalculated again, trying to reach agreement with the
19 city. And I have just universally found a lack of either
20 response, questions, participation. I just -- I think Eel
21 River Disposal and Harry Hardin have done everything
22 humanly possible.

23 And to their credit, you know, they run recycling
24 programs for the city's neighbors: For the City of Rio
25 Del, a single-stream recycling program. Very successful.

1 And the City of Rio Dell's of course in compliance.

2 And the City of Ferndale. That's a prehistoric
3 curbside program. But, again, Ferndale population is very
4 motivated. And they're in compliance.

5 And those programs have been going on for some
6 time.

7 Eel River has also been a consistent award winner
8 with the County of Humboldt. I think for 12 years now
9 they've been cited as providing excellent service to all
10 the surrounding unincorporated areas.

11 That's all my remarks. If I can answer any
12 questions, I'd be happy to.

13 CHAIRPERSON MARIN: Okay. Does the Board have
14 any questions for Mr. Stole?

15 Ms. Peace.

16 BOARD MEMBER PEACE: I just have one question.

17 Are those other communities around Fortuna, are
18 they in compliance because their numbers are being
19 reported to Fortuna? I mean how come -- how come they --
20 they don't seem to get accurate numbers when they've had
21 to go back and get accurate numbers.

22 MR. STOLL: Well, they get accurate numbers to
23 the extent they ask for numbers. And when they have come
24 out, when they have made specific requests, they're given
25 every opportunity.

1 The city transfer station and the recycling
2 center is in essentially the middle of the city. And it
3 is roughly three miles for any citizen to bring their own
4 materials in. So there's a significant recycling
5 operation there. Over one-third of the company's revenues
6 are from recyclables. And so they're in the recycling
7 business.

8 But those deliveries are from all over the city
9 and from the unincorporated areas. Accurate information
10 is kept for those people who've responded. They're
11 members of the community for the City of Fortuna. But,
12 again, the people who live on the outside -- the outskirts
13 perhaps don't report accurately. But the company will
14 cooperate in every way possible, and always has, to
15 generate that information.

16 BOARD MEMBER PEACE: Okay. Thank you.

17 CHAIRPERSON MARIN: Thank you. And thank you,
18 Mr. Stoll.

19 Well, I can appreciate two things from the
20 comments that have already been made.

21 Oh, Mr. Washington, do you have any questions?

22 BOARD MEMBER WASHINGTON: (Shakes head.)

23 CHAIRPERSON MARIN: No, okay. I thought maybe I
24 saw a motion.

25 Thank you. Thank you, Mr. Stole.

1 One is I'm very familiar with rural communities.
2 I have taken it upon myself to go and visit many, many
3 areas. And I certainly appreciate the fact that a
4 voluntary program has its limitations. But I also know of
5 the political consequences of mandating in those rural
6 areas where everybody owns a truck, where the culture of
7 going to the dump is engrained. I visited many. I
8 visited 41 counties already. And I'm about to finish 10
9 more in the next month. So I'm familiar with that. I
10 appreciate the challenge of the city.

11 I also appreciate the fact that -- I live in an
12 unincorporated area of the County of Los Angeles, but with
13 the zip code of a city. So when people ask me where do I
14 live, I give the city's name, which is really not right.
15 But that's the culture. You know, that everybody -- I
16 live in Huntington Park. Why? Because my mailing address
17 says Huntington Park. But it is not within the -- it is
18 within the county unincorporated area. So I appreciate
19 the lack of accurate numbers that in a way may work to
20 your disadvantage. And I don't know how to accurately
21 account for that. I don't know how the facility, you
22 know, accounts for every single load when people -- if I
23 was them, you know, I would say that I'm from the City of
24 Fortuna when in fact I'm not. It is a challenge. I
25 appreciate that.

1 So unless -- and I have to make this. Unless
2 anybody wishes to address the Board on this particular
3 issue, then this particular hearing would be completed.

4 Without any further comments maybe -- just one
5 more from Ms. Peace.

6 BOARD MEMBER PEACE: I just have one more
7 question.

8 I noticed that your median annual income is
9 \$31,000. You have 17 percent of your population below the
10 poverty level. If you went to a mandatory system of pick
11 up, is that going to be a hardship for people? Because
12 there is a cost for taking it self-hauling though also,
13 when you take it and you're charged.

14 MR. RIGGE: Yes, there is.

15 BOARD MEMBER PEACE: So how big of a difference
16 in cost?

17 MR. RIGGE: I don't think I can address the issue
18 per se. But the transfer station rate has not changed in
19 years. And most people identify that as a bargain,
20 because they can -- if you want to have it stockpiled and
21 take it to the transfer station once a month.

22 And because of the climate, as I indicated
23 earlier, that even in the summer months is not a very
24 difficult task to do and doesn't subject health and safety
25 issues.

1 My point is: It is much more cost effective for
2 most people to self-haul.

3 BOARD MEMBER PEACE: Okay. Thank you.

4 CHAIRPERSON MARIN: Okay. Any further comments?
5 Going once.

6 Mr. Mayor.

7 FORTUNA MAYOR COOKE: I just wanted to point out
8 to the last question, we do have the third highest rate of
9 garbage service in Humboldt County. In fact, our garbage
10 rate is higher than several of the surrounding communities
11 for garbage pick up, in part because we have the curbside
12 recycling program embedded in that rate.

13 CHAIRPERSON MARIN: Yeah. So it's a Catch 22.

14 Okay. Without any further discussions this part
15 of the hearing is closed.

16 And what we will now do is we will go into closed
17 session. Let me just advise everybody. What we will --
18 we're going to have probably a longer session than
19 anticipated. We have other issues that we're going to
20 deal with within session so we don't have to go back
21 again. And what we recommend is that everybody goes to
22 lunch. We will have lunch. It will be a working lunch
23 for us as well as closed session.

24 Upon our return -- let me just look. Will an
25 hour and a half be enough so we will come back at 2

1 o'clock?

2 CHIEF COUNSEL CARTER: Yes.

3 CHAIRPERSON MARIN: Okay. Is that everything --
4 you know, we should be able to work on all of our issues.

5 For Mr. Aste, if he wants to be hooked up again
6 at 2 o'clock, we will be able to do that. And we will
7 give you our decision at that time.

8 Thank you very much.

9 (Thereupon a lunch break was taken.)

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1 AFTERNOON SESSION

2 CHAIRPERSON MARIN: I'm going to go ahead and
3 start. Ms. Peace is going to join us in a second.

4 Let me just advise the Mayor and the council
5 member -- I'm sorry -- the City Manager and the City
6 Attorney for Fortuna, we are having our attorney type the
7 position of the Board. So she's going to take a few
8 minutes and have her staff do that.

9 In the meantime we're going to go ahead and take
10 some items that the Board has before us.

11 And since Ms. Peace is here now, why don't you
12 call the roll, please, Ms. Bakulich.

13 BOARD SECRETARY BAKULICH: Yes.

14 Mulé?

15 BOARD MEMBER MULÉ: Here.

16 BOARD SECRETARY BAKULICH: Peace?

17 BOARD MEMBER PEACE: Here.

18 BOARD SECRETARY BAKULICH: Washington?

19 BOARD MEMBER WASHINGTON: Here.

20 BOARD SECRETARY BAKULICH: Marin?

21 CHAIRPERSON MARIN: Here.

22 Okay. I know that there may be some people -- I
23 don't know whether anybody else is on the phone. Is there
24 anybody on the phone yet?

25 So we'll probably connect them if they so desire

1 when the item for Fortuna comes to us.

2 We are now going to go into the Sustainability
3 and Market Development Committee. We had a very, very
4 good Committee meeting. There were a couple of items that
5 were left for the Board, and we're going to deal with
6 those.

7 And one of them in particular I think we have
8 about seven speakers on those. So why don't we go ahead,
9 Pat, and give us your report.

10 DEPUTY DIRECTOR WOHL: Do you want me to go next?
11 Actually my item --

12 CHAIRPERSON MARIN: What are you doing there?

13 DEPUTY DIRECTOR SCHIAVO: I don't know.

14 CHAIRPERSON MARIN: Pat and Pat.

15 Patty, why don't you go ahead. Yes, give us your
16 report first and then we'll --

17 DEPUTY DIRECTOR WOHL: We actually don't have a
18 report.

19 Our first item would be Agenda Item 13, which was
20 pulled off consent. Shall we move into that item?

21 CHAIRPERSON MARIN: Yes, absolutely.

22 DEPUTY DIRECTOR WOHL: Okay. And that is
23 consideration of revisions to the Recycling Market
24 Development Revolving Loan Program General Loan Criteria.
25 Maybe I'll just give a brief recap rather than a

1 presentation. And then we have a speaker.

2 CHAIRPERSON MARIN: Excellent.

3 DEPUTY DIRECTOR WOHL: This item is typically an
4 annual item regarding the criteria.

5 At the Committee meeting there was consensus to
6 cap the rate at 5 percent, the interest rate, and put in
7 the floor of 4 percent. The Board agreed to do multiple
8 loans for a similar or same project. In other words kind
9 of promote expansion. They put in a 2 million cap -- \$2
10 million cap on the number of outstanding loans. The
11 Committee decided that we would not take primary
12 residences and that we would put a cap on real estate --
13 the purchase of real estate of \$1 million.

14 Since that time the Board received a letter
15 asking the Board to reconsider the issue of the \$2 million
16 cap overall.

17 And with that I think we'll just listen to the
18 speaker.

19 CHAIRPERSON MARIN: Speaker, yeah.

20 Terry Leveille from TL & Associates, you're
21 requesting we pull this item. I know that this is very
22 important, some of your clients. So the recommendation
23 that the Committee had is one that you'd like us to tweak.

24 So give it your best shot.

25 MR. LEVEILLE: I'll do it as quick as I can.

1 Thank you very much, Madam Chair and Board
2 members. My name is Terry Leveille for the record, TL &
3 Associates. I am representing BAS Recycling and U.S.
4 Rubber today. These are two key companies in the
5 California tire recycling industry.

6 I really want to congratulate the Committee for
7 approving most of the changes. These certainly needed to
8 be updated in the RMDZ Loan Program. They certainly deal
9 with a contemporary economic issues today. And I think
10 that it was very well done and I'd applaud you.

11 And one of the key changes that I applaud you for
12 was that now you allow companies using more than -- using
13 the same feedstock to apply for more than one loan.

14 Previously for years, since the inception, as I
15 recall, companies that used different feedstocks or had
16 different manufacturing processes or different end uses
17 could apply for more than one loan at \$2 million each.
18 And apparently it has been used about 20 percent of the
19 time.

20 I think that the staff in its wisdom -- the idea
21 of allowing companies that use the same feedstock to be
22 able to apply for more than one loan is certainly one that
23 is well -- is needed. My only suggestion is is that I
24 would like to see that loan cap for all of the outstanding
25 loans be moved to \$3 million rather than 2 million. Still

1 2 million per loan. But the total outstanding loans would
2 be \$3 million.

3 My industry -- the people that I represent in my
4 industry, the tire industry, often times have a very
5 difficult time getting conventional loans, owing to the
6 nature of the business. It's often times a very low
7 margin business, and lenders look askance often times at
8 tire recyclers.

9 The two companies that I'm dealing with here, I
10 have great expansion plans that will be able to divert a
11 significant number of tires from landfills. And they've
12 got some markets. One has markets in Canada. The other
13 one has markets in Asia and Middle East. And the purpose
14 of the program, as I understand it, is to try and
15 encourage more diversion of different feedstocks from
16 landfills by moving that -- nudging that cap from \$2
17 million to \$3 million, possibly having a report in six
18 months to see how that works out. It would give a
19 tremendous assistance to the industries itself and to the
20 program.

21 Anyway, that's basically my pitch. And, you
22 know, we encourage you to take a relook at that particular
23 item.

24 CHAIRPERSON MARIN: Okay. Well, when we had this
25 item before at the Market and Sustainability Committee we

1 agreed that -- initial recommendation from staff was to up
2 it to 4 million. And we agreed that that was not in the
3 best interests of the program. But given that there might
4 be some companies that would really benefit from up to 3
5 million, I wonder whether the Board would be willing to
6 consider that.

7 So is there a -- is there a desire on the part of
8 the BOARD to do that? Can we talk about it?

9 Okay. You have some questions, Ms. Peace.

10 BOARD MEMBER PEACE: Yeah, let's talk about it.

11 CHAIRPERSON MARIN: Let's talk about it.

12 BOARD MEMBER PEACE: For one, U.S. Rubber, I know
13 they did send us a letter. But I did want to point out
14 that under the old criteria, they could not have gotten a
15 new loan for expansion without a change in feedstock,
16 manufacturing process, or new products. But under the new
17 criteria, now that they can get a loan up to \$2 million
18 with no change in feedstock, manufacturing process, or a
19 new product, so really U.S. Rubber can get \$1.1 million
20 more today than they could before.

21 So with that being said, how much do we have in
22 the RMDZ loan account right now to lend? We have about
23 what, 18 million?

24 DEPUTY DIRECTOR WOHL: Yeah, I think in actuality
25 we have something like 10 million at this point, and we

1 get another 10 in December 30 -- December.

2 BOARD MEMBER PEACE: Oh, so we'd have 10 and then
3 another 10 in December?

4 DEPUTY DIRECTOR WOHL: So really typically about
5 20 for the year.

6 BOARD MEMBER PEACE: So we have about 20.

7 What does it look like right -- how many loans
8 are out there right now? Are people pounding at the door
9 for these loans or -- because I know that the RMDZ loan --
10 yeah, Steve Lautze, President of RMDZ loan, he wanted to
11 keep it at 2, staff had recommended 4.

12 DEPUTY DIRECTOR WOHL: Yeah, his motivation for
13 keeping it at 2 was maybe to get more of the niche, you
14 know, the smaller companies.

15 I think we have several prospects. We have maybe
16 three or four loans we're working on that we really have
17 in-house. We have maybe another 18 or so that we're
18 pursuing, but we are not inundated and haven't been. We
19 did not push that many out the door since the loan sale.
20 So, you know, we're more inclined to be looser and try and
21 get the money out. That's been our inclination.

22 BOARD MEMBER PEACE: I wonder if you 18 that are
23 possible, I mean would that -- are they a much smaller one
24 then? Because --

25 DEPUTY DIRECTOR WOHL: Well, I probably could

1 have Jim talk. He knows better the percentage. You know,
2 you could have 18, and probably two or three of those
3 actually work out, you know. And so that's the problem we
4 have, that we can have a lot of irons in the fire, but how
5 many of them culminate into an actual --

6 BOARD MEMBER PEACE: Yeah, 3 million each, not
7 that everybody's going to apply for a \$3 million loan,
8 but --

9 DEPUTY DIRECTOR WOHL: Well, they actually can't
10 apply for -- 2 million is the most they can --

11 BOARD MEMBER PEACE: Right. But I mean if we
12 upped it -- if we did -- I'm saying if we --

13 DEPUTY DIRECTOR WOHL: But upping it only allows
14 them a previous loan that they already have on the books
15 to get another possibly up to \$2 million loan.

16 BOARD MEMBER PEACE: Okay.

17 DEPUTY DIRECTOR WOHL: So the old money is kind
18 of off the table in some sense. It's just that they might
19 have a loan with us for a million dollars or something
20 like that and want 2 million more. And that's where the
21 cap comes in.

22 BOARD MEMBER PEACE: Okay.

23 DEPUTY DIRECTOR WOHL: Jim's here. He can --

24 CHAIRPERSON MARIN: Jim.

25 RECYCLING MARKET DEVELOPMENT LOAN PROGRAM

1 SUPERVISOR LaTANNER: Jim LaTanner, Supervisor for the
2 Recycling Market Development Revolving Loan Program.

3 We presently have four applications roughly
4 in-house that we're looking at. BAS is one of them that
5 we just recently got. Two of the applications, the
6 applicants applied for the loan but have yet to go through
7 the entire permit process. So those are probably four or
8 five months down the road.

9 Separate from that there's about 22 companies on
10 our prospect lists that have inquired about the loan
11 program, to know what it is. We don't expect any of them
12 right now to send an application in at this point in time.
13 No, there's not a backlog, there's not a lot of companies
14 pounding to get the money out the door. There is only so
15 many companies in these zones. And the more successful
16 ones come back for second and third loans, like BAS and
17 U.S. Rubber that come by.

18 CHAIRPERSON MARIN: Okay. Any further questions?

19 BOARD MEMBER PEACE: So if we did raise this to 3
20 from 2 million, does it look like we'll have enough money
21 to lend out to everyone that's interested in the loan?

22 RECYCLING MARKET DEVELOPMENT LOAN PROGRAM

23 SUPERVISOR LaTANNER: Oh, yeah.

24 BOARD MEMBER PEACE: Okay. And what do you think
25 about, if we did do this, that we -- would we need to look

1 at this again in six months or nine months to see how --

2 DEPUTY DIRECTOR WOHL: Maybe I can respond to
3 that.

4 I would probably just keep you updated in my
5 Deputy Director's report at the --

6 CHAIRPERSON MARIN: Well, what will happen is
7 each time you make a request for a loan --

8 DEPUTY DIRECTOR WOHL: -- I usually tell --

9 CHAIRPERSON MARIN: -- she tells us how much is
10 in there, what's left, what's coming, what's pending.

11 DEPUTY DIRECTOR WOHL: So we would know probably.
12 And I think if -- if we felt like the parameters were too
13 loose and we needed to tighten down, then we could come in
14 with --

15 BOARD MEMBER PEACE: We don't have to wait two
16 years again to --

17 DEPUTY DIRECTOR WOHL: We do not, no. We can
18 bring this item back whenever. We typically do it in
19 July. But, you know, we have flexibility there too.

20 CHAIRPERSON MARIN: All right. Is there a motion
21 to that effect?

22 Terry, you're going to get some millions of
23 dollars.

24 BOARD MEMBER WASHINGTON: Madam Chair, I move
25 that we add a million, to make it 3 million for the --

1 CHAIRPERSON MARIN: So the resolution that we
2 have, 2005-191, do we need to -- it doesn't have an
3 amount. How do we --

4 DEPUTY DIRECTOR WOHL: Actually the resolution is
5 correct. It says to refer to the Attachment 1 criteria.
6 And so the motion would be to pass Resolution 2005-191
7 with the Committee changes, with the change of the cap
8 from 2 million to 3 million. And we'll make that change
9 in the attachment.

10 BOARD MEMBER WASHINGTON: And that's my motion.

11 CHAIRPERSON MARIN: That's exactly his motion.
12 Is there a second?

13 BOARD MEMBER PEACE: Second.

14 CHAIRPERSON MARIN: Okay. Moved and seconded.
15 It's money, so call the roll please.

16 BOARD SECRETARY BAKULICH: Mulé?

17 BOARD MEMBER MULÉ: A.

18 BOARD SECRETARY BAKULICH: Peace?

19 BOARD MEMBER PEACE: Aye.

20 BOARD SECRETARY BAKULICH: Washington?

21 BOARD MEMBER WASHINGTON: Aye.

22 BOARD SECRETARY BAKULICH: Marin?

23 CHAIRPERSON MARIN: Aye.

24 Thank you, Terry.

25 MR. LEVEILLE: Thank you very much.

1 CHAIRPERSON MARIN: All right. The next item,
2 Patty, is it going to be 15?

3 DEPUTY DIRECTOR WOHL: It's Agenda Item 14. And
4 it's a fiscal consent.

5 CHAIRPERSON MARIN: Fiscal consent, right.

6 DEPUTY DIRECTOR WOHL: Right. Consideration of
7 the Recycling Market Development Revolving Loan Program
8 application for Glaum Egg Ranch L.P.

9 This item was also heard in Committee and
10 received consensus from the Committee members. It is a
11 loan requesting \$257,000 to finance the purchase of
12 equipment. The project is projected to divert an
13 additional 600 tons per year of post-industrial chicken
14 manure, sawdust, and post-consumer paper, pulp and
15 cardboard from the landfill.

16 Staff recommends that the Board approve Option
17 No. 1 and adopt Resolution 2005-190.

18 CHAIRPERSON MARIN: Okay. Is there a motion to
19 that effect?

20 BOARD MEMBER WASHINGTON: Madam Chair I move that
21 we adopt Resolution 2005-190.

22 BOARD MEMBER PEACE: Second.

23 CHAIRPERSON MARIN: Moved by Mr. Washington,
24 seconded by Ms. Peace.

25 Call the roll please.

1 BOARD SECRETARY BAKULICH: Mulé?

2 BOARD MEMBER MULÉ: Aye.

3 BOARD SECRETARY BAKULICH: Peace?

4 BOARD MEMBER PEACE: Aye.

5 BOARD SECRETARY BAKULICH: Washington?

6 BOARD MEMBER WASHINGTON: Aye.

7 BOARD SECRETARY BAKULICH: Marin?

8 CHAIRPERSON MARIN: Aye.

9 Okay. Now 15.

10 You know, it's difficult with my glasses. I

11 don't know when to take them off and take them out. And

12 I'm trying to do a good job. But believe me, the 14 and

13 the 15 look exactly alike here.

14 Okay. Pat, Mr. Schiavo.

15 DEPUTY DIRECTOR SCHIAVO: All right. All set.

16 (Thereupon an overhead presentation was

17 Presented as follows.)

18 DEPUTY DIRECTOR SCHIAVO: The focus of this

19 presentation is going to be on the AB 939 structure, not

20 focused on the goals but the structure of how to improve

21 the process.

22 Next slide.

23 --o0o--

24 DEPUTY DIRECTOR SCHIAVO: And before I get into

25 that, I just want to mention that the existing program has

1 been extremely, extremely successful. We've gone from a
2 diversion rate -- an estimated diversion rate of 10
3 percentage points to 48 percent. We've diverted an
4 estimated over 300 million tons. All that would have gone
5 to landfill, but we were able to keep -- you know,
6 collectively all of us were able to keep that out of
7 landfill.

8 If you look at the infrastructure, you go out and
9 you make a lot of site visits. You see the infrastructure
10 that's been created. Fifteen years ago that wasn't the
11 case. Even five years ago you would see a lot of gaps.
12 And it's continuing to grow.

13 A couple of years ago, the Board commissioned two
14 independent studies, one by R.W. Beck, the other by UC
15 Berkeley, to look at what's been the product of these
16 efforts. And there's been -- you know, both of them came
17 up with the conclusion there's been over 85,000 jobs
18 created, over \$10 billion of goods and services annually
19 have been produced.

20 --o0o--

21 DEPUTY DIRECTOR SCHIAVO: Now, a few years ago SB
22 2202 was passed. And it was a direction from the
23 Legislature that the Board look at the disposal reporting
24 system and how to improve the disposal reporting system.
25 Knowing that's only one component of the entire waste

1 stream, and how we do the measurement, the Board decided
2 to expand that effort to look at the entire measurement
3 system and notified the Legislature we're opening this
4 process up. Through a number of work groups, work and
5 efforts over about a year, the Board staff came up with
6 the recommendations through input of affected parties on
7 how to proceed with the measurement system.

8 These are broken out into three major groupings.
9 One was -- and I'm going to jump down to disposal
10 reporting system, which we just completed that process,
11 you know, through the Board's passage of the regulatory
12 process. We're looking to having that in place January
13 1st, 2006.

14 The adjustment factor challenges have been
15 addressed, not only through SB 2202, but through four
16 different working group meetings that have just been
17 completed recently. A staff draft proposal was sent out
18 to interested parties. We're awaiting final comments
19 tomorrow, in fact. And we plan on bringing forward our
20 final report to the Board in September.

21 That brings us now to the alternative measurement
22 commitment that we made to affected parties. We started
23 this process last fall. We had one major meeting here in
24 Sacramento, and then we had two others, one in Los Angeles
25 area, another one here as well.

1 --o0o--

2 DEPUTY DIRECTOR SCHIAVO: At those meetings -- at
3 the first meeting here in Sacramento we asked people to
4 give us a feel for what they felt were characteristics of
5 an improved 939 system.

6 And then we followed up at the other two work
7 group meetings, which were -- people were broken up into
8 different -- you know, working groups of ten people and
9 they were to look at what would the goals of a 939 system
10 look like.

11 When we compared the characteristics and the
12 goals we found there were a lot of similarities. People
13 pretty much wanted the same stuff. They wanted to see
14 program implementation be critical in the eyes of the
15 Board. That was still very important, to keep building
16 the infrastructure.

17 Another item that was very important was the
18 timeliness of the data. Right now, people may be
19 implementing programs, but they don't see the fruits of
20 that for 18 to 24 months later as a result of the
21 adjustment factors and when we receive those.

22 Numbers in some form should still be an indicator
23 of program success. One of the things that took place
24 during the 2202 process is everybody realized that the
25 numbers are estimates. They're not the end-all, be-all,

1 but they are indicators of their program success.

2 --o0o--

3 DEPUTY DIRECTOR SCHIAVO: Jurisdictions still
4 want to have the flexibility to choose programs unless --
5 yeah, unless we get into a compliance order process.
6 Then, you know, they understand that. But they want that
7 flexibility and they also -- you know, they want to be
8 treated knowing that they all have their own identity,
9 not -- there is no cookie-cutter approach. Jurisdictions
10 are all pretty unique for various reasons.

11 Accountability and fairness is very important.
12 One of the things that frustrates jurisdictions -- and
13 this is a product of people who receive favorable base
14 years or adjustment factors and they get a benefit in
15 their numbers. They may not be doing quite as good a job
16 in program implementation as their numbers. So we heard
17 that.

18 And then, finally, cost effectiveness.
19 Jurisdictions felt that there could be an easier way to
20 look at their diversion numbers or disposal numbers and
21 try to save money instead of chasing those numbers around.

22 --o0o--

23 DEPUTY DIRECTOR SCHIAVO: So when we're looking
24 at the new structure, we wanted to keep those concepts in
25 mind or goals in mind. And we wanted to maintain the

1 integrity of the existing system. It's worked very well.
2 But we wanted to look at: Is there a simpler way and more
3 cost effective way of looking at the measurement system.

4 So we're kicking around, knowing that SB 1066 is
5 the sunset at the end of this year, that maybe at the --
6 you know, the year 2006 be considered a base-line year
7 looking at countywide disposal numbers.

8 Jurisdictions as well would be encouraged to
9 perform generation studies at a frequency of their
10 choosing. Again, it's their choosing. We recommend -- or
11 we suggest they do it in that it's a compass for them to
12 look at effective program management and to have a handle
13 on looking at the cost effectiveness of the program
14 choices.

15 Jurisdictions may still calculate their annual
16 diversion rate if desired. We'd still provide those tools
17 for them. We understand that some of them do have
18 pressures applied by their councils or the media. And so
19 there's that opportunity for them.

20 --o0o--

21 DEPUTY DIRECTOR SCHIAVO: Regarding the biennial
22 review reporting -- or biennial reporting, right now
23 jurisdictions apply to us -- or submit annual reports to
24 us, you know, each year. The staff must turn around those
25 reports within 120 days. We go through all this process.

1 But there really is no real implications of anything that
2 takes place in the even or odd year, depending how you
3 want to look at it, with these reports because it's not
4 truly a biennial review process cycle we're going through,
5 and so it's just information. Do we really need that
6 information? We don't necessarily think we do.

7 We'd still encourage jurisdictions to maintain
8 the annual information again. So if they're going to be
9 in touch with their programs, they need to know what's
10 going on around them, as well as their numeric compliance.

11 We would continue to conduct biennial reviews of
12 compliance with program implementation and numeric
13 requirements, except we would look at the numeric part on
14 a countywide basis rather than each individual
15 jurisdiction's diversion numbers. And we'd continue to
16 rely on the four tiers and the Board's CIWMP Enforcement
17 Policy, Part 2, which deals with our jurisdictions,
18 meaning numbers are implementing the programs at the top
19 tiered all the way down to they're not doing the programs,
20 they're not doing their numbers at the bottom tier. So
21 that would not change.

22 --o0o--

23 DEPUTY DIRECTOR SCHIAVO: Because of being able
24 to only have to look at jurisdictions on our biennial
25 review reports every other year in a simplified accounting

1 system, we would have a lot more time freed up for our
2 staff as well as local jurisdiction's staff to do other
3 activities. Some of these activities could include
4 enhancing the DRS analysis tools, conducting targeted
5 statewide characterization studies every two years. That
6 benefits jurisdictions in knowing what to focus on. It
7 benefits the Board in knowing how to set policy for what
8 materials to focus on. It assists in market development
9 activities, so that would be a very powerful tool, as well
10 as perform comparative analysis of various program types.
11 We've been requested of that. But we just haven't had the
12 time to do it.

13 There's a lot of other, you know, technical
14 assistance tools. And, you know, we try to do technical
15 assistance as much as we possibly can. And we try to
16 abbreviate our processes as far as the review cycles, but
17 we still do get bogged down. And we would like to enhance
18 our ability to develop case studies, peer matching
19 workshops and other activities.

20 We'd have more time also available to disseminate
21 this information looking at cost effectiveness of
22 different programs' how-to steps. Again, in general, just
23 being able to get out in the field more and providing
24 technical assistance and focusing on program
25 implementation rather than being bogged down with a lot of

1 the nuances of the processes that we deal with.

2 --o0o--

3 DEPUTY DIRECTOR SCHIAVO: And, again, we've
4 focused on the program structure. In the Board item there
5 is some discussion on what goals could look like. They're
6 just examples. We feel like it's our charge to look at
7 the structure. That's what we committed to. And we have
8 three options. This isn't a consideration item, but it's
9 just requesting direction for how you would like to pursue
10 the future. We do think it would be beneficial to have
11 additional workshops, one in southern California, one in
12 northern California, and then finish this process off and
13 then move forward.

14 --o0o--

15 DEPUTY DIRECTOR SCHIAVO: And that concludes my
16 presentation.

17 CHAIRPERSON MARIN: Thank you, Pat.

18 I know that some people feel that this particular
19 item has been workshopped to death, that somewhere,
20 somehow we need to come up with a final resolution as to
21 what we want to do and how we intend to do it.

22 We have about seven speakers, if not more. I
23 didn't count them. Oh, no, it's a lot more than that.
24 About ten speakers.

25 I will ask each of the speakers, you don't have

1 to take all of the two minutes you're going to have. But
2 you are welcome to take up to two minutes.

3 And I know this was an issue that you've taken a
4 tremendous lead on that. I really appreciate that. Ms.
5 Mulé, she's been attending a lot of opportunities to come
6 to some agreement with how we're going to move forward
7 with this. And it's an item that has been a concern to
8 all of us. But we'd really appreciate your leadership on
9 it. And I know you wanted this conversation to really
10 take place at the Board level.

11 So with that, Mr. Arthur Boone from Total
12 Recycling Association.

13 Is he here?

14 He's gone.

15 Okay. Well, now we have nine speakers.

16 Rick Mauck from the City of Santa Clara.

17 Thank you so very much for being here.

18 MR. MAUCK: Thank you very much.

19 Hi. Rick Mauck. I'm from the City of Santa
20 Clara. I'm responsible for solid waste management in the
21 city. I'm also the Solid Waste Association of North
22 America, SWANA's current international president.

23 I'd like to applaud the Board and staff on the
24 subject of the issue regarding an alternative AB 939
25 compliance system. I have been waiting for it for a long

1 time. So I'm glad we're discussing it now. Because the
2 waste generation is subjective and has been difficult to
3 measure, which, because of the results, is fluctuating its
4 subject diversion rates. These diversion rates up until
5 now have been more focused upon, which she shouldn't have
6 been because they were only measurement indicators. As we
7 say, they are estimates, with the degrees of accuracy in
8 variance of at plus or minus 5 percent at the best is what
9 I've seen in most programs, and even varies more in some.

10 The selected and implemented diversion programs
11 are what produces results. That's what should and always
12 be focused upon. And I'm glad we're talking about that.
13 These tried and true diversion programs are the solid
14 waste industry's best management practices. We have data
15 on that. We have results on that. And the costs are
16 known, and the impacts. These programs and the
17 refinements of these programs and their next generations
18 are the right way to go.

19 The options which allows for managed growth and
20 local selection of programs are also the right way to go.
21 This is because, given the two great incentives and
22 obstacles to all progress, economics and politics. We
23 have to make it fit to our situation.

24 I would like also to ask the Board to have staff
25 conduct, yes, some more workshops and specifically invite

1 city and county representatives, because this is a return
2 to their emphasis back to countywide planning and
3 reporting, which I also feel is the right way to go.

4 Thank you again for your consideration in this
5 matter.

6 CHAIRPERSON MARIN: We really appreciate you
7 taking the time to come in. And I know it's been an issue
8 where you've spent a significant amount of time. We
9 really appreciate it. And I have to apologize to all of
10 you for being here and you come from wherever you're
11 coming, and then we only give you a very short amount to
12 speak. But when you do it so concisely and so well, then
13 it helps us all.

14 And I really appreciate you being here.

15 MR. MAUCK: Thank you very much.

16 CHAIRPERSON MARIN: Thank you, sir.

17 Okay. I shouldn't say this, but I do have
18 favorite people around here.

19 So can I ask Yvonne Hunter to come forth and give
20 us her two minutes of wisdom.

21 MS. HUNTER: Madam Chair and members. Yvonne
22 Hunter with the League of California Cities.

23 You want wisdom. I don't know if I can --

24 CHAIRPERSON MARIN: On this very important issue.

25 MS. HUNTER: Before I start though, I was

1 listening on the webcast this morning. Happy birthday,
2 Mr. Leary. And welcome to the second half-century club.

3 (Laughter.)

4 MS. HUNTER: I hope we can celebrate the third
5 half-century club together. Maybe not here. Someplace
6 else.

7 EXECUTIVE DIRECTOR LEARY: Maybe we'll be wise.

8 (Laughter.)

9 MS. HUNTER: I want to thank the Board members
10 and the Board staff, Pat and his staff, for an absolutely
11 outstanding process. Not only the stakeholder process,
12 but just the thought that the staff put into evaluating
13 the pros and cons of different approaches, helping us
14 figure out what works and what we'd like to see change.
15 It is exemplary. And, frankly, it's, as I've said before,
16 another example of why there should be a Waste Board. And
17 let's hope there continues to be a Waste Board.

18 I think the report and the options that Pat laid
19 out are outstanding and they reflect a lot of input from
20 local government. The League, CSAC, and RCRC had a little
21 working group, and some of you came to visit with us, and
22 I know some of our thoughts were incorporated. We also
23 had a discussion at the League's Policy Committee, which
24 the Chair -- the Vice Chair is sitting right over there,
25 and that was very helpful.

1 So I have a couple of observations and then a few
2 procedural suggestions. One of the key issues that the
3 city and counties had was that in whatever new system is
4 recommended to the Legislature, because that obviously is
5 the process, there needs to be some way to account for
6 growth. And we all understand that the current adjustment
7 method is very, very cumbersome; and even with all of its
8 moving parts, may not accurately reflect growth. I'm not
9 sure.

10 So we appreciate the fact that there is
11 something, a surrogate for growth in the proposal. I'm
12 not sure that the Department of Finance figures are the
13 right surrogate. Cities and counties are very familiar
14 with the DOF population figures because he get our vehicle
15 license fee and subventions based upon those figures. But
16 they reflect population, the number of people living in a
17 city. And if you're growing residentially, that may be
18 appropriate. But if you're growing moderately or not at
19 all in the residential sector but you have a lot of
20 businesses, commercial, industrial, it won't.

21 So I'm not sure that that works. And of course
22 then it's my obligation to suggest an alternative. And
23 I'm going to suggest a process instead. I agree with Pat,
24 that it's probably a good idea to take the current
25 proposals, options that come out of this meeting and have

1 a couple of more stakeholder meetings, get input and pose
2 to the people who are actually doing the number crunching,
3 both the haulers and the local governments on the ground,
4 okay, does Department of Finance work? We don't -- I mean
5 I'm not sure it does. If all the city and county and
6 waste hauler people say it does, fine. Then that's
7 appropriate. But I don't think it does.

8 Give the group a chance to brainstorm with
9 something that is better than the current adjustment
10 method. And then bring that back to the Board, have
11 whatever discussions you need, and then adopt something
12 and ship it off to the Legislature. We're happy to help
13 you in any way if you want to reach out more to local
14 governments than you already are.

15 But we thank you for all of your work. It truly
16 I think has been a team effort, and we appreciate it.

17 Thank you.

18 CHAIRPERSON MARIN: Thank you, Ms. Hunter. We
19 really appreciate that.

20 The next speaker would be Mr. Kevin Ham from
21 Madera County.

22 And he had to go back. I am so sorry to hear
23 that.

24 Okay. Is Mike Rappaport here from Tuolumne
25 county?

1 There he is. I thought I recognized him.

2 So that everybody knows, I went to visit Tuolumne
3 county and we had a great time. Thank you so very, very
4 much. We won't disclose what you did after the visit.

5 MR. RAPPAPORT: Okay.

6 (Laughter.)

7 MR. RAPPAPORT: Anybody who likes Golf can talk
8 to me about it afterwards.

9 CHAIRPERSON MARIN: Well, I guess Mr. Pogue is
10 not here.

11 MR. RAPPAPORT: Thank you very much.

12 And I don't if this is appropriate or not, but I
13 wanted to take an opportunity, because I couldn't be here
14 when you considered our landfill closure loan, and I
15 wanted to personally thank you all for approving that
16 loan. And it's definitely going to come in handy. And we
17 greatly -- we greatly appreciate that. And I'm glad that
18 Madam Chairman had an opportunity to come down and see
19 where the money was going to go. And the tires are all
20 gone now.

21 CHAIRPERSON MARIN: Thank God.

22 MR. RAPPAPORT: All right. I'll be very brief.

23 I wanted to thank Madam Chairman and the members
24 of the Board and staff for the work that they've done on
25 this. I was fortunate enough to be -- take part in the

1 meeting that we had in March with C-SAC, the League and
2 the ESJPA. And I'd Like to thank all of the people that
3 participated in that process for getting us to that point.

4 I recommend that your Board seriously consider
5 Option No. 1 to approve the staff concept and continue
6 with some workshops and come back in October and with
7 whatever other options the staff has presented for
8 alternative measurement system being a rural jurisdiction
9 and a member of the ESJPA, we would encourage your Board
10 to -- and appreciate to maintain the two-tiered
11 measurement system with consideration for rural counties
12 the staff is recommending in a couple of the options.
13 That will definitely help the rural jurisdictions who are
14 striving very hard to maintain their programs and do the
15 things that were intended in the legislation and, that is,
16 to reduce our dependence on landfill. And that's what we
17 appreciate. And we thank you for your consideration. And
18 I'm really glad to see that we're having this discussion.

19 Thank you.

20 CHAIRPERSON MARIN: Thank you. I certainly
21 appreciate it, Mike. And I've been telling people here at
22 the Board what a wonderful and enlightening experience it
23 has been for me to specifically visit some of the rural
24 counties and the challenges. And I think just right
25 before this item we were talking about a particular city

1 that is having some interesting challenges. But they're
2 not new and certainly they're not unusual in rural
3 counties. And I think that if I didn't have that
4 understanding by having visited all of these other
5 counties, that -- you know, I think I make better
6 decisions because I see it. And thank you for taking the
7 time to take me around and so forth.

8 MR. RAPPAPORT: Thank you.

9 CHAIRPERSON MARIN: Alan Abbs -- I thought I
10 recognized somebody there too -- from the Regional Council
11 of Rural Counties, JPA.

12 MR. ABBS: Good afternoon, Madam Chair and
13 members of the Board. I also brought my boss, Mary Pitto,
14 down.

15 My name's Alan Abbs. I'm the Solid Waste
16 Director for Tehama County. And I also do some work for
17 the Regional Council of Rural Counties Environmental
18 Services JPA.

19 And I'd like to start off by certainly echoing
20 the gratitude for the Waste Board and staff in taking on
21 this issue, holding the workshops and coming up with the
22 recommendations that are being presented before the Board
23 today.

24 And I just wanted to highlight a couple items
25 which I think are particularly important for rural

1 counties. And in doing that I'd like to go back to the SB
2 2202 report. And one of the statements that was in the
3 executive summary says, "Instead of determining compliance
4 with the IWMA based primarily on a calculated diversion
5 rate, especially when that rate is derived from a
6 measurement system with recognized potential errors,
7 information on diversion program implementation should be
8 carefully considered. Since small and/or rural
9 jurisdictions are prone to more measurement problems, this
10 consideration is especially important for them."

11 That statement in SB 2202 led to Recommendation
12 No. 3 in the alternatives to numerical compliance, which
13 was to allow jurisdiction -- or rural jurisdictions to
14 demonstrate compliance based on good faith efforts instead
15 of spending resources on fixing numerical issues. And, in
16 effect, that compliance recommendation recognizes that
17 rural counties can get a bigger bang for the buck in many
18 cases by focusing on program implementation and less on
19 fixing statistical measures that may be beyond their
20 control.

21 So the ESJPA and many of the rural counties have
22 been very diligent in attending the workshops and working
23 with staff in hopefully moving the recommendations from SB
24 2202 forward. And we're happy to see that there was a
25 two-tier system put into Option A and B which would allow

1 rural counties to demonstrate compliance based on programs
2 rather than a numerical diversion. Although we do
3 recognize that a numerical diversion is a secondary
4 measure indicator measure which does give an idea of how
5 the programs themselves are being accomplished.

6 And in closing, I just would like to say one last
7 time that on behalf of all the rural counties as well as
8 the ESJPA, we appreciate the consideration that the rurals
9 have been given as part of this agenda item.

10 CHAIRPERSON MARIN: Thank you. Of course we
11 would.

12 Oh, were you going to show us --

13 MR. ABBS: Oh, and there was one other thing. I
14 called Mary down here and then I didn't even let her do
15 what she was going the do. And basically this -- we
16 dusted off these graphs which we worked on in 2000-2001.
17 And it shows really what AB 939 has done for rural
18 counties. And it's kind of hard to see, but the red bars
19 represent the 1990 diversion rates for many of the rural
20 counties. And the green bars represent the 2000 diversion
21 rates. And you might not be able to see the actual
22 diversion percentages. But what you can see is that the
23 green bars, which are the 2000 rates, are significantly
24 higher than the 1990 red bars. And so it does show that
25 in some respects AB 939 has worked. But at the same time

1 we recognize that we're moving to a point where the
2 programs are really going to move us further than the
3 statistical measures.

4 CHAIRPERSON MARIN: Thank you, Mr. Abbs.

5 MR. ABBS: Thank you.

6 CHAIRPERSON MARIN: We really appreciate you
7 being here. And thank you, Mary. It's been wonderful for
8 you to come along with me on many of these trips. And we
9 still have planned a few more. So thank you so very much,
10 Mary.

11 MS. PITTO: Thank you.

12 CHAIRPERSON MARIN: Okay. Mr. Bill Mannel from
13 the County of Butte.

14 Thank you so very much for taking the time to be
15 here with us.

16 MR. MANNEL: Good afternoon, Chair Marin and
17 Board members. I hope you're enjoying your vermiculture
18 compost from Butte County --

19 CHAIRPERSON MARIN: Of course.

20 MR. MANNEL: -- as one of your trips.

21 CHAIRPERSON MARIN: That was one of my trips.
22 Thank you very much.

23 MR. MANNEL: I'm the Solid Waste Manager for the
24 County of Butte. And I'm also a member of the RCRC and
25 the Environmental Services JPA. And I'm here to express

1 similar comments to the other folks. In particular,
2 appreciation of the Board's direction and Pat Schiavo's
3 group and Board Member Mulé for the meeting that we had in
4 March.

5 I think Butte County is very similar to rural
6 counties, even though we don't meet the definition because
7 of our population and our tonnage. We have a situation
8 where one city houses about half of the population of the
9 County of Butte. So we are very rural in nature, with one
10 large city. And, accordingly, I think the rural
11 considerations -- like I said, we don't meet the rural
12 definition, but we think the rural considerations are
13 certainly appropriate.

14 And as far as the other, the options presented,
15 we do not have a system in our county that works real well
16 for the situation I mentioned earlier. The city of Chico
17 has all of the retail business, therefore all the sales
18 tax, and they benefit from the adjustment factors. The
19 county doesn't. So we're in support of some type of
20 managed growth to the tonnage consideration, as well as so
21 we can get something that works. And that's going to take
22 a little bit of work, has been expressed here. But we're
23 confident that it can be done and we're here in support of
24 that.

25 Thank you.

1 CHAIRPERSON MARIN: Thank you. Thank you very
2 much for being here.

3 Next one is Jim McHargue from Amador County.

4 Thank you, Jim. I so appreciate Amador County.

5 MR. MCHARGUE: Yes, Thank you. We appreciated
6 your visit. As a matter of fact, I think they are
7 referring to it as rural palooza now, the trips you're
8 making.

9 (Laughter.)

10 MR. MCHARGUE: Good afternoon, Chair Marin and
11 Board members. My name is Jim McHargue. I'm Program
12 Manager for Waste Management and Recycling in Amador
13 County.

14 I'm here to support the other comments, Mr. Abbs'
15 comments in support of on alternative compliance system.

16 In Amador County we have always believed that the
17 diversion number is a good indicator of performance. But
18 the implementation, maintenance and evaluation of
19 diversion programs is the real key to meeting the goals of
20 AB 939. That's where the rubber hits the road or the RAC.

21 The two-tiered system outlined in Options A and B
22 in your packet seem very appropriate, especially when
23 considering the special challenges rural communities like
24 Amador face on a daily basis.

25 And, again, I just want to thank you for this

1 opportunity. And thank you for all the work that your
2 Board and your staff has done.

3 CHAIRPERSON MARIN: Thank you, Jim. We really
4 appreciate all of the work of the rural counties. And,
5 you know, having met with so many of you so far, it really
6 highlights the work that our staff has done and how we're
7 going to -- I'm sure we're going to get some further
8 guidelines so that when we go to the Legislature, we'll
9 really address the issues that really concern you.

10 Okay. Next one is Jim Hemminger from the Rural
11 Counties ESJPA.

12 MR. HEMMINGER: Thank you very much.

13 My name's Jim Hemminger, former Program Director
14 with the Rural Counties Environmental Services JPA. And
15 several people have asked how they can miss me if I won't
16 go away.

17 (Laughter.)

18 MR. HEMMINGER: But I did feel this issue was
19 particularly important to rurals. It's something we've
20 actually worked on for over ten years now. And I did want
21 to take the time to express my support for the proposal,
22 thank the Board, Pat and Cara for moving this forward, and
23 seeing that this could be a very, very positive step
24 forward.

25 It addresses a lot of the problems we do have

1 with the existing system. It is, as people mentioned
2 before, very time consuming. With limited staff
3 resources, this does divert our efforts from the programs.

4 Generally speaking, especially for the rural
5 counties, the numbers are not necessarily reflective of
6 program achievements or the recycling opportunities that
7 we have in our counties. And perhaps most importantly,
8 there's a time delay with the method. We find out three
9 or four years to the future where we were in the past.

10 And I think part of the reason you're seeing a
11 lot of rural counties here today is that these problems,
12 while they exist across the board, are particularly
13 manifest within the small jurisdiction.

14 We do feel the proposals being put forward
15 address these problems. Being disposal based, that's
16 actually a real number we can work with. Of all numbers
17 we have, we do with a reasonable degree of accuracy keep
18 track of how much is going into the landfill. This does
19 then allow us to immediately assess: Is our disposal rate
20 going up this quarter?

21 And, quite frankly, I think the proposal really
22 does fit into the whole zero waste concept. Instead of
23 now calculating what is being diverted, we will with this
24 method be forced to look: What is going into the
25 landfill? Is the disposal tonnage going up? What is the

1 purpose of that? And enable us then to focus the programs
2 much more into the disposal areas.

3 So with that, I want to say thank you. And I do
4 appreciate whatever movement we could going forward with
5 this. And thank you very much.

6 CHAIRPERSON MARIN: Thank you, Jim. We really
7 appreciate you taking the time out of your retirement.

8 BOARD MEMBER PEACE: Yeah. You came out of
9 retirement already?

10 MR. HEMMINGER: This is too much fun.

11 (Laughter.)

12 CHAIRPERSON MARIN: Okay. Mr. Scott Smithline
13 from Californians Against Waste. I know he's also been
14 very involved in this.

15 Thank you for being here.

16 MR. SMITHLINE: Thank you, Madam Chair and Board
17 members. Scott Smithline with the environmental group
18 Californians Against Waste.

19 As most of -- well, as the state nears 50 percent
20 and most of the jurisdictions are nearing 50 percent, we
21 do think this is an appropriate time to assess Assembly
22 Bill 939. And we think Pat Schiavo and his staff have
23 really done an excellent job of workshopping, I guess, if
24 that's a verb, this issue.

25 I'd like to point out one thing, which is the

1 focus of most of these workshops have really been on
2 complying with the mandates of Assembly Bill 939. And
3 from an environmental perspective, we're a little
4 concerned and we'd like to make sure as this process goes
5 forward that in addition to looking at how we're going to
6 comply with the mandates of Assembly Bill 939, we're also
7 looking at achieving the goals of Assembly Bill 939, which
8 is in the end to reduce waste, wasting of state resources.

9 Some specific examples of that would be: As we
10 focus on landfill disposal, we run the risk of equating
11 everything that's not landfill disposal. And that's of
12 concern to us, because we think we run the risk of taking
13 our eye off the hierarchy. So to the extent that we're
14 just focused on reducing disposal and everything else
15 that's not disposal is treated equally, we're taking our
16 eye off of the hierarchy. And we think that's something
17 that we need to be mindful of as we move forward.

18 The other thing is, we're almost at 50 percent,
19 and I think the other thing we need to look at is what's
20 actually in our landfills. Board staff tells us that 65
21 percent of what's in the landfills today is recoverable,
22 recyclable or compostable. So I think to the extent that
23 freeing up resources, whether they be Board resources or
24 city resources, to move towards program effectiveness
25 that's a good thing. Because the problem we have is that

1 we're wasting 65 percent of what's going into the landfill
2 at the point. So I think we need to focus clearly on
3 those issues as we move forward and make sure not to just
4 focus on how we're going to comply with the mandates of
5 Assembly Bill 939.

6 So thank you very much.

7 CHAIRPERSON MARIN: I believe your point is very,
8 very well taken, Scott, and I know you voiced that concern
9 to different people. So good point. I think that when we
10 move forward with at least one more hearing on this, that
11 we take that very seriously into consideration.

12 MR. SMITHLINE: Thank you.

13 CHAIRPERSON MARIN: Thank you.

14 Mr. Evan Edgar on this item.

15 MR. EDGAR: Good afternoon, Madam Chair, Board
16 members. My name is Evan Edgar representing the
17 California Refuse Removal Council.

18 We welcome this hearing today and in an options
19 and frameworks. We feel that it recognizes the investment
20 and valid dates of AB 939 programs and the investments our
21 industry has made to make it work at 48 percent.

22 We also recognize the brave leadership of this
23 Board to adopt the new disposal reporting systems. We
24 feel in the year 2006 we'll have a strong foundation of
25 how much is going into the landfills at 40 million tons

1 per year. We need to know that. So on a move-forward
2 basis, with the Legislature looming, we need to set some
3 framework up in order to count for diversion and
4 generation. We feel that needs to be simplified. We feel
5 it needs to be responsive. And we feel Option No. 4 does
6 lend the best available tools in front of us to continue
7 the path to keep on validating this system and validating
8 the path we're going down by having good faith and
9 good-faith efforts by extending SB 1066. We feel this
10 Board has done an excellent job on SB 1066 and good-faith
11 efforts while looking at each and every city and
12 jurisdiction, and that path is a good path.

13 So with that being said, I think that we have a
14 strong foundation, we have great leadership, and we feel
15 that the upcoming Option No. 4 and general fine tuning and
16 tweaking will be great for the next iteration of AB 939.

17 Thank you.

18 CHAIRPERSON MARIN: Okay. Did you have a
19 question, Mr. Washington?

20 BOARD MEMBER WASHINGTON: Yeah. Where are you
21 getting Option No. 4, Edgar? Because I'm only up to 3.

22 MR. EDGAR: It was inside the Waste Board staff
23 report. There was -- Option No. 1 was 2006 flatline, 2006
24 with a managed growth. Option 3 was a countywide deal
25 that was --

1 DEPUTY DIRECTOR SCHIAVO: It's actually labeled
2 as Option D in the item. And it's what I was referring to
3 as examples of what goals could look like. But we're just
4 focusing on structures.

5 BOARD MEMBER WASHINGTON: Oh, okay. All right.
6 Thank you.

7 You were just going to name it number 4, huh?

8 (Laughter.)

9 CHAIRPERSON MARIN: Okay. With that
10 clarification, I understand Mr. Arthur Boone from Total
11 Recycling Association did come back.

12 So we really appreciate your coming back. And
13 make your comments to this item.

14 MR. BOONE: My name is Arthur Boone. I'm the
15 General Manager of the Total Recycling Association in
16 Oakland.

17 Several years ago the editor of the Resource
18 Recycling magazine said that California was cooking its
19 books on measuring recycling. So I said, well, when I get
20 a chance in my schedule I'm going to figure out if that's
21 true or not. So I spent much of the last four months
22 reading the transcripts and agenda packets of this Board
23 for the last 15 years.

24 And the tortuous way that you all have managed to
25 go from diversion counting to where we are today is

1 truly -- it's almost unbelievable, but it's a very -- it's
2 a sad testimony of a lot of wandering in the dark and
3 trying to find your way. I feel sorry for you. I think
4 the Legislature gave you a bad charge. And I think you
5 have a chance now to change that.

6 When the law was originally enacted in 1989 it
7 said 38 million tons of material go into the landfill.
8 That was quickly amended to 44 when they actually got
9 around to measuring it better. We now have 42.5 million
10 tons of material going into landfill. Fifteen years we've
11 reduced the amount of landfill material by about one and a
12 half million tons per year. I think it's three and a half
13 million tons is the figure that Ms. Mulé used in Los
14 Angeles.

15 At that rate I figured it's going to take us
16 about 180 years to get to zero waste. I believe Mr.
17 Tamminen last week at the State Recycling Association
18 meeting said he would like to see us get to zero waste by
19 2025.

20 The State of Oregon was faced with a similar
21 dilemma to what California has, and in 1991 amended their
22 state measurement law. What they did was essentially say
23 that starting in this year, 2005, there would be a per
24 capita resident population of the whole state. That would
25 then -- whatever the rate was in 2004, that would be the

1 rate that the state would be allowed for 2005, 6, 7 and 8.
2 That would be how the State of Oregon would cap its
3 landfill loading, with a an increase of per capita. In
4 2009 it would be fixed at whatever the rate was at 2008
5 forever. So that no matter how many people moved to
6 Oregon -- and a lot of people seem to want to go up there,
7 the amount of material that would be landfilled will --
8 according to Oregon law enacted in 2001 will stay the
9 same.

10 When I look into people's garbage I don't see 60
11 percent recyclable materials. I see 80 and 90 recyclable
12 materials. I see a few things that can't be recycled.
13 It's still -- it's a public health problem. It's not a
14 problem of markets. It's not a problem of complex
15 science. It's a question of getting people to do the
16 right thing. People don't want to do the right thing. I
17 believe that some kind -- I can't imagine the Legislature,
18 to be perfectly honest with you, agreeing to a mandated
19 cap on landfilling in California. I just don't think it
20 has enough -- there are too many people who believe that
21 garbage is good in this state for that to happen.

22 But I think we have to move towards a system like
23 what Oregon has if we're going to -- we said that about
24 the bottle bill 20 year ago. Now we're saying it about
25 how you measure garbage. I hope to be involved in the

1 ongoing discussions.

2 Thank you very much.

3 CHAIRPERSON MARIN: Thank you, Mr. Boone. I
4 really appreciate you taking the time. And I think that
5 you have a lot of people that agree with everything that
6 you said.

7 Mr. Chuck Helget from Allied Waste, he just
8 wanted to suggest that he really appreciates staff for
9 taking this initiative, supports revising the current
10 system to a less complex disposal-based system. So those
11 are his comments. He had to rush out of here.

12 And for the record, we just received support for
13 alternative AB 939 compliance system from Rural Counties
14 Environmental Services JPA -- oh, they were here -- from
15 the county of Inyo, the Lassen Regional Solid Waste
16 Management Authority, and the Calaveras County Department
17 of public works. They all will be entered into the
18 record.

19 Okay. Now, at this point in time, Pat, you are
20 seeking direction from this Board as to what option should
21 we follow.

22 And I know that Ms. Mulé probably feels very
23 strongly one way. So do you want to share with us that.

24 BOARD MEMBER MULÉ: Thank you, Madam Chair. I
25 just want to make a few comments.

1 First of all, I do want to thank Pat and staff on
2 what I felt was a very thorough, very thoughtful and very
3 organized process. I did attend I think all the workshops
4 except one of them. And I will tell you that staff did an
5 outstanding job of capturing the ideas and concepts that
6 were presented by the various stakeholders at those
7 workshops. And, again, I just want to thank you. I
8 appreciate the effort you put into it. So thank you very
9 much.

10 I also want to thank everyone who participated in
11 this process. I was extremely impressed with the amount
12 of participation -- Yvonne, Rick, Jim in the back --
13 everybody: The jurisdictions, Scott Smithline,
14 environmental groups, the industry folks were there. And
15 I just want to thank everyone for participating. Because
16 what I observed was that this is important to everyone.
17 This is not just important to us as a board. This truly
18 is important to the jurisdictions, to the industry folks,
19 the environmental people, because we've all invested so
20 much into this, not just financially but in many ways over
21 the last 15 years.

22 And so, again, I just want to thank everyone for
23 their participation in this.

24 And I think that we've come up with some great
25 concepts, great options and alternatives. I do realize

1 though that this does need to be decided in the
2 Legislature, Madam Chair. And so I -- what I would like
3 to recommend is that we -- as Yvonne had mentioned, let's
4 have one more round of workshops, maybe one in the north,
5 one in the south, you know, share our findings with
6 everyone and, again, thank them for their participation
7 and their input. And then maybe put all these ideas and
8 options and concepts into some type of report and present
9 it to the Legislature. Because, again, I think we've
10 got -- I think we really did capture what we had hoped to.
11 We developed -- or we're developing in concepts of a
12 system that is more timely, the measurement is a simpler
13 measurement system. And we truly are going to focus our
14 efforts more on the program and, as Pat had mentioned, on
15 the technical assistance to the jurisdictions so that they
16 will not only meet 50 percent, but they will far exceed 50
17 percent and get them as close to zero waste as we can.

18 So with that, Madam Chair, that's -- thank you.

19 CHAIRPERSON MARIN: Thank you. Thank you, Ms.
20 Mulé.

21 Ms. Peace.

22 BOARD MEMBER PEACE: Okay. I'd just like to say
23 I am so happy to see that we are going to be getting away
24 from mathematical diversion formulas and actually focusing
25 on programs in disposal. I would love to see the state

1 reduce disposal by at least 75 percent, if not more. I
2 think it's very doable. But, again, that is something
3 that will be determined by the Legislature.

4 But I too want to thank Pat Schiavo, Cara Morgan
5 and their staff for all of the work and the time that
6 they've put in on this. You've done an outstanding job.
7 And I want to thank Board Member Mulé for taking the lead
8 on this.

9 And I too go along with what Board Member Mulé is
10 saying. We'll go ahead and have what, one or two more
11 workshops.

12 And then I do think Yvonne Hunter did have a
13 legitimate concern about the Department of Finance
14 population, you know, figures to determine growth. And
15 that could be one thing that we'll -- that they'll
16 discuss, see if there's a better way or another way or if
17 that's the only way we can do it at the workshops.

18 CHAIRPERSON MARIN: I certainly agree with that.
19 And I don't know what the right answer is. I know that
20 the entire state for programs and formulas across the
21 board uses the Department of Finance population figures.
22 So I don't know that there is a better alternative. I
23 certainly would love to have this particular group
24 consider any other suggestion. But I believe that for the
25 most part that's what the DOF, Department of Finance,

1 uses. So if there's a better alternative, let's discuss
2 that.

3 In addition, what I would like to see the next
4 two workshops -- and I don't think that we should have any
5 more than that, you know. We know -- we have heard I
6 believe very clearly very strong suggestions from all the
7 stakeholders. At one point in time this Board needs to
8 develop the fortitude to present our recommendation to the
9 Legislature for action.

10 It is definitely their right to do as they may
11 with our recommendation. But I think that represented
12 with the strength of the support of the stakeholders, that
13 whatever that recommendation turns out to be will be I
14 believe far better received given the support that I would
15 expect we would get when in fact we come up with what our
16 best recommendation would be for the Legislature.

17 So with that, Pat, please let all of the
18 stakeholders know this would be the last round. And I
19 would agree, no more than that, one north, one south, it's
20 over. Very clear guidelines. And then the best
21 recommendation that we can come up with for the
22 Legislature to deal with this very significant challenge.

23 Okay? Is that okay with everybody?

24 Okay.

25 BOARD MEMBER MULÉ: Thank you.

1 Madam Chair, I do have a question for staff.

2 On the sunset of the 1066, have we heard anything
3 from the Legislature as to the status of that? Because --
4 and the reason why I'm asking is because I've had several
5 jurisdictions ask me that question, and I didn't know the
6 answer.

7 DEPUTY DIRECTOR SCHIAVO: I haven't heard
8 anything regarding that. I've talked to other people.
9 We've just now -- been a lot of silence.

10 BOARD MEMBER MULÉ: Thank you.

11 CHAIRPERSON MARIN: Ms. Peace, did you want to
12 say something?

13 BOARD MEMBER PEACE: I was just going to say:
14 Yvonne, have you heard anything?

15 MS. HUNTER: Yvonne Hunter, League of California
16 Cities.

17 Both last year and this year I suggested some
18 language that actually -- I had technical help from Pat
19 on: If we're going to do it, what's the best way to do
20 it? Shared it with the various legislative staff. But --
21 and it would have -- I think if SB 928 would have moved --
22 at least as of now it appears to be a two-year bill --
23 that would have been the vehicle to put it in.

24 I'm still going to pursue it. I think in the
25 earlier version that I had suggested it was like maybe a

1 three or four year extension. Maybe just do it for one
2 more year to get us over the hump so the Legislature can
3 figure out what they want to do next. So I will pursue
4 that.

5 CHAIRPERSON MARIN: Okay. Good.

6 Okay. Thank you so very much.

7 That will lead us to the next item. And at this
8 point in time it will be Item 16.

9 DEPUTY DIRECTOR SCHIAVO: Yeah, Item 16 is a
10 consideration of the application for a second SB 1066 time
11 extension by the City of San Marino, Los Angeles County.
12 And the Board took action on that at the Committee
13 meeting. And as a result we've changed the resolution.

14 And Steve can say a little bit more about that.

15 Mr. Uselton.

16 CHAIRPERSON MARIN: Mr. Uselton.

17 Is anybody from the City of San Marino here
18 today?

19 MR. USELTON: No, there's not.

20 CHAIRPERSON MARIN: And they're not even on the
21 phone or --

22 MR. USELTON: No. We did get a letter from them
23 indicating that they would not be able to attend, and did
24 acknowledge that whether the time extension or the
25 compliance order comes to them, they will continue to

1 focus on their program implementation.

2 CHAIRPERSON MARIN: Okay. Great.

3 Go ahead.

4 MR. USELTON: I just had a short presentation.

5 Steve Uselton with the Los Angeles Local Assistance

6 Office. Good afternoon, Madam Chair and Board members.

7 The City of San Marino within Los Angeles County

8 is requesting a second SB 1066 time extension through

9 December 31st, 2005.

10 The city's application and direct testimony from

11 city representatives was considered at the Board's

12 Sustainability and Market Development Committee on July

13 12th, 2005. The Committee expressed concern with the

14 city's lack of progress in improving its diversion rate

15 during the period of the first time extension and the

16 city's delay in improving a construction and demolition

17 ordinance described in the second time extension

18 application plan of correction.

19 In consideration of the concerns raised by the

20 Committee, Board staff has prepared a revised resolution

21 that directs Board staff to commence the process to issue

22 a compliance order, as the Board finds that its concerns

23 with the city's lack of progress cannot be addressed in a

24 revised time extension application.

25 The city has communicated to Board staff that it

1 will not be in attendance at today's meeting, but wanted
2 to reiterate their comments at the Committee meeting of
3 the city's intent to move forward on improving its
4 diversion rate as described in the second time extension
5 or to any future compliance order agreement with the
6 Board.

7 A copy of the revised Resolution 2005-194 has
8 been passed to each member and copies are made available
9 in the back of the room.

10 CHAIRPERSON MARIN: Okay. Thank you, Steve.

11 And we had a very long item presentation at this
12 particular -- at the Sustainability and Markets Committee.

13 Is there a particular conversation that needs to
14 take place at this time at the Board, or do we just move
15 with the resolution as presented?

16 BOARD MEMBER WASHINGTON: Madam Chair?

17 CHAIRPERSON MARIN: Yes.

18 BOARD MEMBER WASHINGTON: I'd like to move
19 adoption of Resolution 2005-194 revised.

20 BOARD MEMBER PEACE: Second.

21 CHAIRPERSON MARIN: Okay. Moved and seconded.

22 Without objection, we will substitute the
23 previous roll call.

24 And just in case the City of San Marino happens
25 to hear, they're listening to what we're saying, Pat,

1 could you just explain to us. I'm sure they already know
2 what this means, but just in case.

3 DEPUTY DIRECTOR SCHIAVO: Yeah, it starts the
4 compliance process. By law, we have to give the 60-day
5 notice. Typically we will do that, just staff -- the
6 staff. But as a courtesy, the Board wanted to make it
7 very public so they would understand the implications. So
8 this starts that process.

9 CHAIRPERSON MARIN: Okay. Sixty days for that.
10 The clock starts running as of today. And that was the
11 agreement, okay? Because at one point in time we had
12 discussed that that clock would start running at the time
13 of the Committee meeting. But we decided that the clock
14 would start running from this day on.

15 Thank you, Steve, and thank for your hard work.

16 Okay. Our attorney's here. I'm going to take a
17 five-minute break so that we can deal with Item 25.

18 Okay. We'll be right back.

19 (Thereupon a recess was taken.)

20 CHAIRPERSON MARIN: All right. Please call the
21 roll.

22 BOARD SECRETARY BAKULICH: Mulé?

23 BOARD MEMBER MULÉ: Here.

24 BOARD SECRETARY BAKULICH: Peace?

25 BOARD MEMBER PEACE: Here.

1 BOARD SECRETARY BAKULICH: Washington?

2 BOARD MEMBER WASHINGTON: Here.

3 BOARD SECRETARY BAKULICH: Marin?

4 CHAIRPERSON MARIN: Here.

5 Okay. Any ex partes from any of the Board
6 members?

7 BOARD MEMBER PEACE: No, I'm up to date.

8 BOARD MEMBER WASHINGTON: Patty Wohl.

9 (Laughter.)

10 CHAIRPERSON MARIN: All right. We took a lot
11 longer than we had thought in dealing with Item No. 25,
12 the City of Fortuna. And, you know, it's very difficult
13 for all of us to be in this position. No one takes any
14 joy in doing this. And we deliberated quite a lot, a lot
15 more than what we thought we were going to. But there are
16 some findings that we needed to make.

17 And I will now read what the Board action will
18 be. And I want to make sure that everybody understands
19 it.

20 Based on evidence presented in today's hearing,
21 the Board determined that the City of Fortuna failed to
22 comply with the Board's Compliance Order No. IWMA BR 0201,
23 despite the fact that the city recently took substantial
24 measures to comply with a compliance order. Those
25 measures failed to bring the city's overall performance to

1 the level of good-faith effort defined by Public Resources
2 Code 41850 to implement a Source Reduction and Recycling
3 Element.

4 Accordingly, the Board determined to impose
5 penalties in the following amounts pursuant to Public
6 Resources Code Section 41850:

7 A one-time penalty amount of \$5,000.

8 In addition, the Board determined that if the
9 city fails to achieve by October 31st, 2005, compliance
10 with the local assistance plan, it will penalize -- it
11 will be penalized \$200 per day commencing on today's date,
12 July 19th, 2005, through the date the city and Board staff
13 agree that the tasks due to be implemented in the local
14 assistance plan have been implemented.

15 The Executive Director of the Board shall
16 determine whether the city has achieved compliance by
17 October 31st, 2005. If the Executive Director determines
18 that the city achieved this requirement, all penalties,
19 including the initial one-time penalty amount of \$5,000,
20 shall be suspended.

21 If the Executive Director determines that the
22 city has not achieved this requirement, all penalties up
23 to the date of the determination shall be immediately due
24 and payable. Penalties for noncompliance on compliance
25 accruing after that date shall be due and payable on a

1 monthly basis.

2 Board staff is directed to provide technical
3 assistance to the city as necessary, particularly as it
4 relates to commercial sector activities.

5 That is the order of this board.

6 Now, let me just ask -- because we did take the
7 vote at the closed session just reporting this action, we
8 don't need to take another vote?

9 CHIEF COUNSEL CARTER: That's correct.

10 CHAIRPERSON MARIN: Okay. So that is the order
11 of this board.

12 And we believe that the City of Fortuna will be
13 able to meet this order. We really want you to succeed.
14 You have no idea. It will make us very, very happy if at
15 the end of the day, we don't recover one penny from you.

16 BOARD MEMBER WASHINGTON: Madam Chair, let me add
17 to the City of Fortuna.

18 Good luck to you guys. And certainly we hope you
19 take advantage of our staff. Please take advantage of the
20 staff. To the Mayor and the City Manager, thank you for
21 coming and being here today. We know you guys are very
22 busy in your local cities. And, again, good luck. And we
23 know you guys will do well. Your numbers are some good
24 numbers. And so keep up the good work and just go forward
25 and you guys will be okay.

1 MR. RIGGE: We appreciate your confidence. And
2 we will honor your ruling obviously. And we again thank
3 your staff for all the help and obviously the future help
4 that we expect to see.

5 Thank you very much.

6 BOARD MEMBER WASHINGTON: I'll be down to visit
7 with you guys too.

8 MR. RIGGE: Oh, looking forward to it. Thank
9 you.

10 CHAIRPERSON MARIN: Thank you so very much. Mr.
11 Mayor, thank you very much for taking the time.

12 FORTUNA MAYOR COOKE: Thank you.

13 CHAIRPERSON MARIN: All right.

14 Okay. Mr. Schiavo.

15 DEPUTY DIRECTOR SCHIAVO: I'm done.

16 CHAIRPERSON MARIN: Oh, not you.

17 Mr Levenson.

18 So why are you still there?

19 DEPUTY DIRECTOR SCHIAVO: I'm slow.

20 (Laughter.)

21 CHAIRPERSON MARIN: You're slow. Are you over
22 50?

23 DEPUTY DIRECTOR SCHIAVO: Hey, watch it.

24 (Laughter.)

25 CHAIRPERSON MARIN: Okay. We're going to go back

1 to Item No. 7. We have one more item from the old man,
2 who is the Executive Director. But prior to that we'll
3 have Item No. 7.

4 DEPUTY DIRECTOR LEVENSON: Just the youngsters,
5 right?

6 CHAIRPERSON MARIN: Yeah, let the young men speak
7 now.

8 Mr. Levenson.

9 DEPUTY DIRECTOR LEVENSON: Although I think I've
10 got a few gray hairs on Mark. Not many.

11 Thank you very much, Madam Chair. And I
12 appreciate you taking this item up now before the final
13 item of the day.

14 This is Item 7, which is consideration of a new
15 Full Solid Waste Facilities Permit for the Jepson Prairie
16 Organics Composting Facility in Solano County. That's a
17 compostable materials handling facility.

18 And I will turn this over to Christy Karl in a
19 moment. But I just want to introduce this item.

20 As you know, the Permitting and Enforcement
21 Committee heard this item, but there was no recommendation
22 that was made by the Committee due to a number of issues
23 regarding the composting site boundaries and a discussion
24 that we had at the Committee meeting about activities at
25 the related landfill site, which is under a different

1 permit.

2 Staff and the LEA and the operator undertook a
3 series of discussions over the last week and that
4 continued yesterday and into this morning. And we have
5 come to an agreement wherein we have -- the report of
6 composting site information will be amended to include a
7 description of those landfill activities that will take
8 place within the -- can take place within the permitted
9 boundaries of the composting facility until such time as
10 the composting facility goes out of operation in the
11 future. These changes have been approved by all the
12 parties involved. It will not require any changes in the
13 permit that is in your -- proposed permit that is in your
14 packet before you.

15 We believe this addresses both staff's an LEA's
16 concerns about who will be responsible should there be any
17 violations in that particular area. And we believe it
18 also addresses the operator's concerns that could
19 otherwise -- that the language could have otherwise
20 restricted legitimate landfill activities.

21 So with that I will turn this over to Christy and
22 we'll have a short presentation. And, again, we
23 appreciate your taking this up now.

24 CHAIRPERSON MARIN: Thank you, Mr. Levenson.

25 Ms. Carl, go ahead and make your presentation. I

1 have one quick question after that.

2 MS. KARL: Good afternoon, Madam Chair and
3 members of the Board.

4 As Howard said, we've made some changes, and they
5 are available in the back of the room, in addition to I
6 believe they were handed out to you, with the permit and
7 the amount.

8 The item before you considers a new full
9 compostable materials handling facility permit for Jepson
10 Prairie, owned by Jepson Prairie Organics -- owned and
11 operated by Jepson Prairie Organics, a NorCal subsidiary.

12 The operator's proposing:

13 To increase the materials handled from 300 tons
14 per day to 600 tons per day averaged over a 7-day week,
15 and a peak of 750 tons per day.

16 To increase the acreage from 15 to 54 acres, and
17 to allow the operations to occur 24 hours a day.

18 As Howard said, we've resolved all our issues.
19 And so, therefore, staff recommends the Board concur in
20 permit No. 48-AA-0083 and adopt Resolution 2005-188.

21 And this concludes my presentation. The operator
22 and LEA are both available if you have any questions.

23 CHAIRPERSON MARIN: Sure. Thank you very much,
24 Christy.

25 Does the operator wish to address the Board?

1 No, they just want the permit.

2 (Laughter.)

3 CHAIRPERSON MARIN: They just want us to act on
4 it.

5 I just wanted to make sure. The resolution
6 doesn't need to be reworded to specify any particular
7 activity?

8 We do need to revise this resolution to -- in the
9 various phrases, to state, "Whereas the Board finds the
10 proposed permit is consistent with the California
11 Environmental Quality act, that all state and local
12 requirements for the proposed permit have been met, and
13 the Board staff finds the facility is in compliance.

14 "And now, therefore, be it resolved that the
15 Board concurs in the issuance of the permit."

16 And we will make those changes and get that
17 submitted into the electronic system tomorrow.

18 Okay. Is everybody okay with that? They're very
19 perfunctory.

20 And now the permit itself, you already made the
21 changes. So when we approved this permit, whatever
22 language was necessary now has been inserted into the
23 permit?

24 MS. KARL: Correct. The acreage information was
25 updated. And then it's also reflected in the RCSI, which

1 governs that permit.

2 CHAIRPERSON MARIN: Okay. Because I know that
3 that was the item that Mark was working on, right?

4 So okay.

5 DEPUTY DIRECTOR LEVENSON: The primary changes in
6 terms of descriptions of the activities are in the report
7 of composting site information, which accompanies the
8 permit. Show that will be governing.

9 CHAIRPERSON MARIN: Okay. All right.

10 Okay. Make sure that we have all the i's dotted
11 and the t's crossed, because -- especially when it comes
12 back to getting the other, the landfill permit. And we
13 want to make sure that everything is done properly and
14 correctly.

15 Okay. I do want to acknowledge a lot of people
16 who were very, very late last night and certainly all
17 throughout this morning to make sure that this permit is
18 issued today. So I really appreciate, Howard, and all of
19 your staff. I know the operator, who were here all day
20 yesterday and all day today.

21 So with that we found the right resolution to
22 this challenge that we have.

23 With that, is there a motion?

24 BOARD MEMBER WASHINGTON: Madam Chair, I'd like
25 to move adoption of Resolution 2005-188 revised.

1 BOARD MEMBER MULÉ: Second.

2 CHAIRPERSON MARIN: Okay. Moved and seconded.

3 Without objection, we will then substitute the
4 previous roll call.

5 Okay. We did it. And we finished this.

6 And now Mr. Leary has a wonderful presentation
7 for us.

8 (Thereupon an overhead presentation was

9 Presented as follows.)

10 EXECUTIVE DIRECTOR LEARY: Good afternoon,
11 members. My name is Mark Leary. I've been sufficiently
12 humiliated enough today.

13 (Laughter.)

14 EXECUTIVE DIRECTOR LEARY: So I'm going to try
15 to --

16 CHAIRPERSON MARIN: How old are you, sir?

17 BOARD MEMBER WASHINGTON: Yeah, "My name is Mark
18 Leary. I'm 50 years old."

19 (Laughter.)

20 EXECUTIVE DIRECTOR LEARY: Oh, great.

21 Hey, I can still take great comfort in the fact
22 that I am ten years younger than the advisor to the Chair.

23 (Ooh's.)

24 CHAIRPERSON MARIN: Wait a minute. Only ten? I
25 thought it was more like he was 86.

1 (Laughter.)

2 EXECUTIVE DIRECTOR LEARY: I'm younger than at
3 least somebody around here, I know for sure.

4 CHAIRPERSON MARIN: Not anybody on this Board.

5 EXECUTIVE DIRECTOR LEARY: I know that.

6 I wouldn't dare make that accusation.

7 (Laughter.)

8 EXECUTIVE DIRECTOR LEARY: Anyway, on a more
9 serious note. I'm proud here to stand before you to once
10 again update you on some significant progress we're making
11 in the development of the action plans, those priority
12 activities that you designated to provide some focus to
13 all of our efforts for the coming 12 to 18 months.

14 As you might imagine, and as you often
15 compliment, the staff of this organization, particularly
16 the management team, has risen to the challenge and
17 provided me in the last several weeks detailed action
18 plans in the areas noted on the screen.

19 --o0o--

20 EXECUTIVE DIRECTOR LEARY: What you won't see on
21 the screen of course is the discussion of the alternative
22 measurement system, which you just heard in quite a bit of
23 detail and with obviously quite a bit of our stakeholder
24 support, Agenda Item 15. That has got a well defined
25 plan, as you've just defined it actually.

1 We've often talked in regards to our future about
2 what goes beyond 939. And although we don't have a
3 specific plan for it yet, I think we're prepared to enter
4 into some discussion with you all about how you want to
5 manage that effort. Is it part and parcel to the
6 alternative measurement, which needs some goal definition?
7 I think it kind of works that way. But we haven't spent a
8 lot of time trying to figure that out yet at this point.

9 Also not noted of course, but a high priority
10 effort that you know is ongoing is the grants improvement
11 project. That has its own course. It's well defined.
12 Julie's leading the charge. And I think you're pretty
13 aware of some of the timelines were going forward on that.

14 And then you've heard this morning about a very
15 high priority for Secretary Lloyd and the administration
16 in regards to the climate action team. And I think that
17 priority pervades all of these action plans. Success in
18 all these action plans I think will result, in some way,
19 shape, or form, in greenhouse gas reduction. The
20 challenge for us will be measuring that reduction and
21 applying that reduction to these action plan activities.
22 But we will certainly keep those reductions in the back of
23 our minds and offer to you as appropriate how we think,
24 say, the market assessment action plan or the technology
25 assessment action plan is ultimately resulting in

1 greenhouse gas reductions.

2 What I think the action plans have provided for
3 us, what I take great pleasure in is the fact that they
4 are complex -- for the most part, complex multi-phase
5 efforts. And I think what they're going to also help us
6 do is break down divisions. Many of them are cross
7 divisional in their focus. And they'll incorporate strong
8 stakeholder input, which I think is real -- of value to
9 this organization and continues our high profile and
10 stakeholder input. And also I think will offer an
11 opportunity for our staff to go beyond what they do on a
12 day-to-day basis, much of what they've petitioned us to
13 consider in the suggestion box over the last 12 months or
14 so, opportunities for their professional development and
15 growth and to excel in this organization and aspire to
16 leadership positions. And I think performance across
17 divisions and new opportunities for them through these
18 activities in the action plans I think will provide that.

19 So the five of them that I'm focusing on today
20 are before you.

21 The first one -- next slide please.

22 --o0o--

23 EXECUTIVE DIRECTOR LEARY: -- is the Market
24 Assessment Action Plan. And, as you know, it's -- the
25 target here is to review and analyze waste and recyclable

1 material's flow throughout the state. And what we've
2 decided to do is approach it in a pilot-program kind of
3 fashion. That is, to target a specific area and develop,
4 implement and field test, and then of course review and
5 critique our effort prior to moving on to the full
6 statewide evaluation. Do it on a fairly narrow scope at
7 first. And then, depending on our success and how it
8 proceeds, to expand statewide. Or on the alternative,
9 make corrections along the way and improve it before we go
10 statewide.

11 Next slide.

12 --o0o--

13 EXECUTIVE DIRECTOR LEARY: The plan encompasses
14 at least initially the identification of materials focus.
15 As you all know better than I, there are hundreds of
16 materials of types available for recycling within the
17 state. We can't do them all. We're suggesting as part of
18 this action plan that we'll focus on the larger
19 components, including C&D, plastics, organics and paper at
20 the first go-around.

21 Then we'll identify the pilot program geographic
22 areas, the specific areas where we have an opportunity to
23 collect data and information where we think both
24 qualitative and quantitative measurement currently exists,
25 so that we'll have kind of a leg up. We're not jumping

1 into the most complex scenario. We won't be starting with
2 L.A. County obviously. We're going to start with
3 something a little straight -- I know you're disappointed,
4 Rosalie.

5 BOARD MEMBER MULÉ: I'm disappointed.

6 EXECUTIVE DIRECTOR LEARY: In your mind it would
7 probably be easy.

8 Then we'll initiate the data gathering after we
9 identified the pilot program geographic area, both taking
10 advantage of the data we have in-house as well as going
11 out into the field and gathering data. Then of course
12 provide some -- provide some analysis and development of
13 findings and conclusions.

14 We hope to conclude all this in the pilot project
15 areas by April of next year, which I think is a pretty
16 ambitious program since we're kind of starting from square
17 one.

18 Next slide please.

19 --o0o--

20 EXECUTIVE DIRECTOR LEARY: But ultimately we
21 think this data will assist local entrepreneurs and solid
22 waste managers to connect feedstocks to processes that may
23 not currently be connected. And we think with a better
24 understanding and having a statewide perspective, we'll be
25 able to put parties together to make a movement of

1 materials out of the waste stream and into the economic
2 mainstream more easy to do.

3 And then ultimately there may be some policy
4 matters that we want to bring before the Board, targeted
5 market -- recycling market development zone loans in
6 specific areas to foster the creation of facilities that
7 will help make that material move from the waste stream
8 into the economic mainstream.

9 Next one please.

10 --o0o--

11 EXECUTIVE DIRECTOR LEARY: In the green
12 procurement action plan, again fairly obvious. We're
13 looking to increase the purchase of environmentally
14 preferable products and services. But ultimately we'll
15 create the market for recycled content materials and
16 reduce waste. The emphasis of course will be increasing
17 the diversion of materials so that we can leverage the
18 purchasing power of state and local governments and maybe
19 even to agriculture to effect purchasing of these kind of
20 materials and create the marketplace.

21 It will be a collaborative effort with our Public
22 Affairs, DPLA, Special Wastes, and the Market Development
23 Division. Our whole organization basically will be
24 working together to make some of this happen.

25 Next slide.

1 --o0o--

2 EXECUTIVE DIRECTOR LEARY: As I've defined
3 briefly before, the strategy here is to develop a toolbox
4 where all of our pieces, our model procurement ordinances,
5 our standards, our specifications, all of our guidelines
6 regarding targeted waste stream materials, are case
7 studies, our results from our demonstration projects, our
8 surveys will all be packaged into one place so that as we
9 turn this toolbox over to the target audience, they'll
10 have at their fingertips the wherewithal to get from a
11 noncompliant environmentally purchasing organization to
12 one that is doing their purchasing in an environmentally
13 preferable way in a big way.

14 Next slide please.

15 --o0o--

16 EXECUTIVE DIRECTOR LEARY: Phase 1 will be
17 collecting the existing tools we have in-house in all our
18 demonstration products, identify some new products for
19 inclusion. We will have some ongoing demonstration
20 projects, which we hope to complete over the next year or
21 two. And then have a survey of agricultural industry to
22 look for the opportunities for them to do more
23 environmentally preferable purchasing, particularly in
24 compost and mulch.

25 Next slide please.

1 --o0o--

2 EXECUTIVE DIRECTOR LEARY: We already have some
3 model guidelines and specifications in the areas of carpet
4 and recycled paint, paper purchasing, as this building
5 demonstrates better than maybe any other, and then
6 information technology hardware. And we hope to develop
7 more of these.

8 We're not necessarily going to wait to have the
9 toolbox complete before we launch though. We appreciate
10 that we'll have many important pieces -- next slide
11 please.

12 --o0o--

13 EXECUTIVE DIRECTOR LEARY: -- we have many
14 important pieces for which we can currently provide a
15 customized approach to an individual stakeholder.

16 So we see our toolbox being targeted, working
17 with our contractor for our marketing efforts. We'll
18 target our toolbox for a particular stakeholder and make
19 the entree and introduce ourselves and our toolboxes in a
20 way for them to effect green procurement in their
21 organization. In that way we can allocate our staff
22 resources for the maximum benefit.

23 Next slide please.

24 --o0o--

25 EXECUTIVE DIRECTOR LEARY: In the technology

1 assessment action plan -- again I think you've grown
2 familiar with this whole idea -- we need to reemphasize
3 our technological basis, our technological credibility.
4 And we're looking to invest more of our staff resources
5 and training in developing the tools and the technology to
6 develop -- or to further analyze ways to advance the
7 management of solid waste in California, including
8 anaerobic digestion, bioreactor landfills and other
9 emerging waste management technologies.

10 Next slide.

11 --o0o--

12 EXECUTIVE DIRECTOR LEARY: The major activities
13 here are we're going to -- we initially are going to
14 evaluate anaerobic digestion and enclosed-vessel
15 technologies. As the Board will recall in April of last
16 year through an IWMA reallocation item, we committed to
17 allocating some money to the University of California at
18 Davis for anaerobic digestion technology that they're
19 advancing as well as committing them to testing various
20 feedstocks for operational and environmental
21 characteristics, and also to evaluate the current
22 anaerobic digestion technology.

23 And of course we have our ongoing efforts to
24 evaluate conversion technologies, which we continue to be
25 committed to do, including the planning for a -- maybe a

1 statewide conference or forum early in the calendar year
2 next year to bring all the critical stakeholders together.

3 Next slide please.

4 --o0o--

5 EXECUTIVE DIRECTOR LEARY: Other technology
6 assessment targeted efforts will be our landfill gas to
7 hydrogen. We're working with the UC Davis Institute of
8 Transportation Studies to evaluate current knowledge about
9 converting landfill gas to hydrogen for vehicle and fuel
10 cell use.

11 In addition, the Board has entered into a
12 contract with the South Coast Air Quality Management
13 District to actually select a landfill site, analyze and
14 design a pilot plant that will produce hydrogen for a
15 local jurisdiction's vehicle fleet. And the district is
16 matching our contribution with \$150,000 of their own.

17 Further, landfill gas to energy is a target for
18 us, and of course is very consistent with the climate
19 action team's efforts as they identified this morning as
20 being something we want to target landfill gas emission
21 reductions for greenhouse gas emissions.

22 And then, finally, we think the science of
23 landfill gas monitoring can be advanced, and we want to
24 lead the way. Howard and his staff have identified this
25 as a target. We think that much more can be done in this

1 area, and they're prepared to lead the charge.

2 --o0o--

3 EXECUTIVE DIRECTOR LEARY: Also in the P&E area,
4 but also touching over to Special Waste, is enhancement of
5 our enforcement and training resources. The Board has
6 wrestled very recently with how to provide guidance in the
7 areas like enhanced training for the LEAs. We've tested a
8 number of models including the landfill training courses
9 offered by SWANA. And we will be bringing an item to the
10 P&E Committee in September to talk further about how we go
11 about enhancing training for our LEAs and in some respects
12 for our own staff.

13 That is also true for enhanced enforcement.
14 We've been working with the LEAs to identify gaps in
15 enforcement authority. And we want to identify these
16 issues related to enforcement that warrant further
17 direction and discussion.

18 Improving current training and guidance. We
19 survey LEAs regularly, trying to identify their needs and
20 coming to appreciate the enforcement-related tools and
21 assistance that we provide is not quite up to our
22 extremely popular permit toolbox. So maybe there's some
23 companion activities in the enforcement area that can
24 mimic the success we've had with the permit toolbox.

25 And then I think you might be aware of some of

1 the enforcement efforts being led by Cal EPA in terms of
2 their working groups with the other BDOs to look for
3 opportunities to strengthen enforcement across BDOs and
4 across media enforcement efforts.

5 --o0o--

6 EXECUTIVE DIRECTOR LEARY: And then I believe
7 finally we have the universal waste action plan. The
8 Board once again has defined this as being a high
9 priority, recognizing that pursuant to current rule, the
10 California Universal Waste Rule, landfills will be banned
11 from accepting universal waste starting February of 2006.
12 We've been working very cooperatively with DTSC over the
13 years. But we recognize that we need to ramp up our
14 efforts to improve outreach and particularly to assist in
15 the development of a better statewide infrastructure and
16 to deal with the universal waste.

17 Next slide please.

18 --o0o--

19 EXECUTIVE DIRECTOR LEARY: Some of these
20 activities in this action plan consist of the U-waste
21 working group, staying closely in synch with DTSC and
22 holding up our end of the bargain by helping develop the
23 U-waste infrastructure. This can also be done by
24 facilitating our infrastructure study that needs to be
25 enhanced.

1 We'll continue to provide HHW grant funds, about
2 four and a half million dollars annually to promote
3 U-waste infrastructure development.

4 And then of course outreach will be a constant
5 message if the U-waste as we work with our individual
6 jurisdictions in the private sector, including the U-waste
7 industry, to facilitate maybe some more product
8 stewardship and new ways to manage U-waste throughout the
9 state.

10 Next slide.

11 --o0o--

12 EXECUTIVE DIRECTOR LEARY: Specifically we have
13 workshops coming up with DTSC. We have our Household
14 Hazardous Waste meetings monthly. We're anticipating or
15 thinking about having a separate U-waste symposium as part
16 of the Used Oil -- the annual Used Oil Household Hazardous
17 Waste conference next April.

18 We're considering a statewide U-waste consumer
19 awareness campaign, much like our E-waste effort, maybe
20 piggybacking on our E-waste effort. And then we want to
21 get the manufacturers more engaged. And we're going to
22 continue to interact with them in some sort of
23 consideration for product stewardship initiatives that
24 they can lead.

25 --o0o--

1 EXECUTIVE DIRECTOR LEARY: That's it in a
2 nutshell. I anticipate either myself or through the
3 activities of our deputy directors and their committee
4 meetings to keep you updated on at a minimum a quarterly
5 basis. We'll have lots of activities to report back to
6 you as just things really get ramped up.

7 I want to say, first and foremost, I really
8 appreciate the support the management team, particularly
9 the deputy directors, have provided to me and to you all
10 to get these focused areas rolling. I sense some genuine
11 excitement throughout the organization to have this kind
12 of focus and to contribute in these kinds of ways. I
13 think the staff of this organization see this an
14 opportunity to maintain, if not amplify, our leadership in
15 the solid waste area, not only in the state but in the
16 country.

17 So with that, Madam Chair and members, I conclude
18 my brief update. But together with exec staff I'm happy
19 to entertain any questions you might have of any
20 specifics.

21 CHAIRPERSON MARIN: Thank you, Mark.

22 You know, it's really amazing how we've come --
23 actually we haven't -- how long has it been, six months
24 since we had our little retreat?

25 EXECUTIVE DIRECTOR LEARY: It was in January.

1 CHAIRPERSON MARIN: It was in January.

2 EXECUTIVE DIRECTOR LEARY: So It's about six
3 months.

4 CHAIRPERSON MARIN: So it is truly amazing how
5 from that -- those particular days that we spent, all five
6 of us, in that one room talking about some of the things
7 that we really wanted to get done -- we -- you know,
8 initially he talked about 20 million things that we wanted
9 to do -- and how we were able to really cut that, and the
10 emphasis that we're going to have in this area that I
11 think are really, really crucially important. And we
12 developed the priorities, we agreed that this would be the
13 areas that the Board would really attack, if you will.

14 EXECUTIVE DIRECTOR LEARY: What this also has
15 provided I think is kind of an umbrella focus to bring
16 some what seemingly were desperate activities throughout
17 the organization into one focus and move them all in one
18 direction. So some of the demonstration projects that
19 maybe didn't have a clear link to something else going on
20 in the organization now may through the focus that these
21 action plans provide.

22 CHAIRPERSON MARIN: Yeah. One of the areas that
23 I think it would be most helpful -- and I really
24 appreciate the time that you guys have taken on the market
25 assessment completely -- I think that just by being very

1 focused that we need to get this data. And I think that
2 they will make our job easier later on as we define within
3 that, or once given that, you know, the focus of where we
4 need to further go. I think that it's a very fruitful
5 exercise, I believe. And I really want to thank every
6 single one of the exec staff, because you all have a very
7 crucial role in making sure that we succeed in each one of
8 these areas.

9 I know Rubia has spent a lot of time putting all
10 of this together and --

11 EXECUTIVE DIRECTOR LEARY: Well, I wasn't going
12 to give up the mike without thanking Rubia, because she
13 really is -- as Jim Branham is to daddy today, Rubia's
14 been the nanny of the action plan.

15 CHAIRPERSON MARIN: -- the nanny of this effort.
16 So, you know we really -- I know that there are people
17 that want to say a couple of things. So I'm just going
18 with you.

19 Ms. Peace first and then Ms. Mulé.

20 MR. HEMMINGER: Thank you, Mark and Rubia.

21 I just had a couple just general questions, one
22 on the U-waste and our efforts with DTSC.

23 Has it been determined yet whose responsibility
24 it is, DTSC's or ours, for getting out the information to
25 the public on the upcoming U-waste -- I mean the U-waste

1 that was February of '06 and the new rules that are coming
2 out?

3 Who's responsible for letting the public know
4 about that?

5 EXECUTIVE DIRECTOR LEARY: Well, I think -- well,
6 I'll turn it over to Jim. He's more familiar with the
7 details.

8 I'm not sure it's a question of responsibility.
9 I think we both have worked together collaboratively to
10 make sure the word gets out. But we have some specific
11 workshops coming up.

12 But, Jim, go ahead.

13 DEPUTY DIRECTOR LEE: I think that's exactly it,
14 Mark and Ms. Peace. I think it's, you know, basically a
15 collaborative effort. You know, we're working together.
16 We both acknowledge responsibilities in this area. You
17 know, Mark mentioned again the upcoming workshops in
18 September that DTSC is holding, you know, to, you know,
19 discuss the issue of the February 2006 deadline, you know,
20 with the stakeholders to see how they're responding to it,
21 you know, what things have been put in place to deal with
22 it, and perhaps to consider some extension of that
23 deadline, although that is not an expressed purpose of the
24 workshops per se.

25 So, again, I think it's a shared effort. I think

1 both agencies recognize their responsibilities in this
2 area.

3 BOARD MEMBER PEACE: And also, when it comes to
4 alternate technologies, conversion technologies, the
5 recommendation, the paper that we are going to have
6 written I guess that Fernando was working on regards to
7 what the Waste Board's recommendations would be to the
8 Legislature, how is that coming along?

9 EXECUTIVE DIRECTOR LEARY: Patty, do you know the
10 details?

11 I know that we've made pretty good progress. In
12 fact, Fernando mentioned to me the other day that it was
13 nearly a final draft.

14 DEPUTY DIRECTOR WOHL: That's right. He has been
15 consistently working on that. As usual, Fernando's
16 wearing multiple hats these days, including supervising
17 and doing this ET work.

18 So he is prepared to have that ready. We're
19 bringing an item in August to talk about the regs to the
20 P&E Committee. And I think we wanted to make sure we were
21 done with that before that. So we're pushing it. We are.

22 BOARD MEMBER PEACE: Okay. Thank you.

23 CHAIRPERSON MARIN: In addition to when it comes
24 to that particular activity, because this has been an item
25 and it will be further -- of further importance to the

1 Board, I think that -- and we've had this conversation,
2 Mr. Leary and myself -- it cannot -- while Fernando does
3 an incredible job -- I think we all recognize that without
4 him there would be no CT -- that other resources need to
5 be allocated to further that effort. If you need any
6 action from this Board, Mark, please make sure that -- you
7 know, if we need to do anything to further that
8 objective -- we cannot possibly charge such a humongous
9 responsibility to one individual. So if as a board you
10 need us to do something, you can bring it back to us at
11 any time. If you within your authority, you know, you
12 feel that you have enough to manage your resources in a
13 way that this issue is given the appropriate attention,
14 then that certainly is up to you.

15 EXECUTIVE DIRECTOR LEARY: Well, I appreciate
16 that, Madam Chair. I think it is within our collective
17 authority to move the resources of the new organization to
18 make sure that we have the appropriate at least in-house
19 resources. We'll be coming back to you here in the
20 not-too-distant future with an IWMA allocation item of our
21 consultants and professional services monies to target
22 some external help through contracts for your
23 consideration here in the coming months, next month or
24 two.

25 So related to these action plans we'll be seeking

1 your allocation of money for specific purposes to get
2 specific external resources available to us via contracts,
3 interagency agreements in the next month or two -- I think
4 it's September.

5 CHAIRPERSON MARIN: Excellent.

6 Ms. Mulé.

7 BOARD MEMBER MULÉ: Are you done?

8 CHAIRPERSON MARIN: Oh, were you completely done,
9 Ms. Peace?

10 BOARD MEMBER PEACE: Yes.

11 BOARD MEMBER MULÉ: Okay. Thank you, Madam
12 Chair.

13 And as I recall, when we had our off-site back in
14 January, that was really what we were hoping as an
15 outcome, was that with the focus on these priority areas,
16 that you and the executive staff would then allocate your
17 resources accordingly. Because we know that we can't be
18 all things to all people. And we were hoping that it
19 would help all of you again in allocating your resources
20 based on the priorities. And some things may have to fall
21 off the plate. And that's okay. We understand that.

22 So, again, in moving forward, we -- I have trust
23 that you will allocate your resources accordingly, as
24 Chair Marin pointed out, for example, in the conversion
25 technology area. To have one person working on such a

1 significant issue just -- you know, we need to have more
2 of our in-house resources allocated as well as external.

3 EXECUTIVE DIRECTOR LEARY: Absolutely.

4 BOARD MEMBER MULÉ: So I'd like to see that.

5 Also, Mark, I just have a quick question on: Who
6 are you working with at the AQMD on the landfill to
7 hydrogen project?

8 Do you know, Howard?

9 EXECUTIVE DIRECTOR LEARY: Howard's actually been
10 facilitating that interaction.

11 DEPUTY DIRECTOR LEVENSON: Yeah, that's directly
12 with Dr. Chung Liu, who is head of the -- I don't know his
13 exact title -- but he's head of the AQMD's Technical
14 Research Division under Executive Director Wallerstein.

15 BOARD MEMBER MULÉ: Okay. He's directly under
16 Wallerstein?

17 DEPUTY DIRECTOR LEVENSON: Yes.

18 BOARD MEMBER MULÉ: Okay. Good.

19 Thank you.

20 CHAIRPERSON MARIN: Mr. Washington.

21 That's everything?

22 BOARD MEMBER WASHINGTON: Yes.

23 EXECUTIVE DIRECTOR LEARY: One last comment,
24 Madam Chair.

25 I neglected to mention this morning in relation

1 to Eileen's presentation on the climate action team, that
2 Judy Friedman is kind of heading up that effort for us,
3 and will be involved with the action plan implementation
4 and tracking our reductions of greenhouse gases, you know,
5 molecule by molecule, I'm sure. I wanted to make sure
6 Judy got introduced as kind of spearheading our efforts in
7 that regard.

8 CHAIRPERSON MARIN: Yeah, that's right. Thank
9 you so very much. Judy had done an incredible job. And
10 Agency has requested -- the team itself has requested a
11 lot of information from all of the agencies involved. And
12 I don't know that we would be well represented without
13 Judy. So Thank you so very much for all the work. I know
14 at one point in time we had a meeting, and Judy was
15 working so hard the night before so that we would, you
16 know, contribute -- so that we would be able to contribute
17 our part.

18 So thank you, Judy.

19 This was a great meeting. I think it was a great
20 meeting. I was able to show to Mr. Leary that he is not
21 completely and totally in charge of everything and he
22 doesn't know everything that is going on in --

23 EXECUTIVE DIRECTOR LEARY: I used to think I was
24 in touch with this organization. I don't anymore.

25 CHAIRPERSON MARIN: We want to wish you again,

1 Mr. Leary, a very, very happy 50th birthday, as you turn
2 into an old man.

3 (Laughter.)

4 CHAIRPERSON MARIN: With that, thank you very
5 much. And we expect to see you, God willing, next month.
6 Thank you.

7 Have a great vacation, those of you that are
8 going on vacation.

9 (Thereupon the California Integrated Waste
10 Management Board meeting adjourned at
11 4:00 p.m.)
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1 CERTIFICATE OF REPORTER

2 I, JAMES F. PETERS, a Certified Shorthand
3 Reporter of the State of California, and Registered
4 Professional Reporter, do hereby certify:

5 That I am a disinterested person herein; that the
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7 meeting was reported in shorthand by me, James F. Peters,
8 a Certified Shorthand Reporter of the State of California,
9 and thereafter transcribed into typewriting.

10 I further certify that I am not of counsel or
11 attorney for any of the parties to said meeting nor in any
12 way interested in the outcome of said meeting.

13 IN WITNESS WHEREOF, I have hereunto set my hand
14 this 27th day of July, 2005.

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